FINANCIAL HIGHLIGHTS
財務摘要

		2021	2020	變動
For the year ended 31 December (RMB'000)	**截至12月31日止年度（人民幣千元）**			
Revenue	收入	**32,057,584**	28,073,065	*14.2%*
Gross profit	毛利	**8,447,693**	8,383,979	*0.8%*
Finance costs	融資成本	**546,149**	435,892	*25.3%*
EBITDA	除息稅折攤前盈利	**5,719,554**	6,195,368	*(7.7)%*
Profit before tax	除稅前溢利	**3,807,282**	4,753,560	*(19.9)%*
Profit for the year	年內溢利	**3,018,589**	3,757,389	*(19.7)%*
Profit attributable to owners of the Company	本公司擁有人應佔溢利	**3,044,159**	3,750,829	*(18.8)%*
At 31 December (RMB'000)	**於12月31日（人民幣千元）**			
Total assets	資產總額	**54,483,189**	46,527,562	*17.1%*
Cash and bank deposits	現金及銀行存款	**7,646,249**	7,447,436	*2.7%*
Total debts[(a)]	債務總額[(a)]	**18,275,903**	16,236,163	*12.6%*
Net debt[(b)]	債務淨額[(b)]	**10,629,654**	8,788,727	*20.9%*
Total equity	權益總額	**21,806,763**	20,354,122	*7.1%*
Share information (RMB)	**股份資料（人民幣）**			
Earnings per share[(c)]	每股盈利[(c)]			
– Basic	–基本	**0.99**	1.22	*(18.9)%*
– Diluted	–攤薄	**0.99**	1.22	*(18.9)%*
Dividend per share (HK cents)	每股股息（港仙）			
– Interim dividend	–中期股息	**12**	12	–
– Proposed final dividend	–擬派末期股息	**26**	38	*(31.6)%*
– Total dividend	–總股息	**38**	50	*(24.0)%*
Equity attributable to owners of the Company per share[(d)]	每股本公司擁有人應佔權益[(d)]	**6.70**	6.40	*4.7%*
Financial ratios	**財務比率**			
Gearing Ratio (%)	資產負債率(%)	**45.6**	44.4	
Net debt to equity[(e)] (%)	債務淨額對權益比率[(e)](%)	**48.7**	43.2	
Interest cover[(f)] (times)	利息盈利比率[(f)]（倍）	**10.47**	14.21	

Note:

(a) Represented borrowings, lease liabilities and debt component of convertible loans.

(b) Represented total debts less cash and bank deposits.

(c) Details of the calculations of the basic and diluted earnings per share of the Company are set out in note 11 to consolidated financial statements.

(d) Represented equity attributable to owners of the Company divided by the number of issued Shares at the end of the reporting period.

(e) Represented net debt divided by total equity.

(f) Represented EBITDA divided by finance costs.

附註：

(a) 指借款、租賃負債及可換股貸款債務部份。

(b) 指債務總額減現金及銀行存款。

(c) 本公司每股基本及攤薄盈利之計算詳述於綜合財務報表附註11。

(d) 指本公司擁有人應佔權益除以於報告期末已發行股份數目。

(e) 指債務淨額除以權益總額。

(f) 指除息稅折攤前盈利除以融資成本。

FIVE-YEAR FINANCIAL SUMMARY
五年財務概要

RESULTS	業績	For the year ended 31 December 截至12月31日止年度				
		2021	2020	2019	2018	2017
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
REVENUE	**收入**	**32,057,584**	28,073,065	26,344,523	23,733,517	20,360,000
GROSS PROFIT	**毛利**	**8,447,693**	8,383,979	7,537,119	6,228,449	5,316,783
EXPENSES#	**開支#**	**(4,441,810)**	(3,851,675)	(3,459,637)	(3,033,265)	(2,700,377)
FINANCE COSTS	**融資成本**	**(546,149)**	(435,892)	(577,194)	(415,403)	(229,309)
PROFIT BEFORE TAX	**除稅前溢利**	**3,807,282**	4,753,560	3,981,921	3,235,539	2,954,586
Income tax expense	所得稅開支	**(788,693)**	(996,171)	(953,586)	(789,315)	(688,779)
PROFIT FOR THE YEAR	**年內溢利**	**3,018,589**	3,757,389	3,028,335	2,446,224	2,265,807
Profit attributable to:	以下應佔溢利：					
Owners of the Company	本公司擁有人	**3,044,159**	3,750,829	3,024,701	2,491,774	2,293,055
Non-controlling interests	非控制權益	**(25,570)**	6,560	3,634	(45,550)	(27,248)
		3,018,589	3,757,389	3,028,335	2,446,224	2,265,807

FINANCIAL POSITION	財務狀況	At 31 December 於12月31日				
		2021	2020	2019	2018	2017
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
ASSETS	**資產**					
Non-current assets	非流動資產	**30,131,266**	26,858,971	23,053,463	19,752,950	15,825,153
Current assets	流動資產	**24,351,923**	19,668,591	17,731,334	14,883,327	12,148,472
Total assets	資產總額	**54,483,189**	46,527,562	40,784,797	34,636,277	27,973,625
LIABILITIES	**負債**					
Non-current liabilities	非流動負債	**11,812,823**	10,115,058	3,163,655	6,458,341	6,116,343
Current liabilities	流動負債	**20,863,603**	16,058,382	20,526,746	13,105,071	8,073,791
Total liabilities	負債總額	**32,676,426**	26,173,440	23,690,401	19,563,412	14,190,134
NET CURRENT ASSETS/ (LIABILITIES)	**流動資產淨額／（負債）**	**3,488,320**	3,610,209	(2,795,412)	1,778,256	4,074,681
EQUITY	**權益**					
Equity attributable to owners of the Company	本公司擁有人應佔權益	**20,771,141**	19,841,127	16,576,245	14,803,329	13,489,915
Non-controlling interests	非控制權益	**1,035,622**	512,995	518,151	269,536	293,576
Total equity	權益總額	**21,806,763**	20,354,122	17,094,396	15,072,865	13,783,491

Represented the sum of selling and distribution expenses, administrative expenses and other expenses.

指銷售及分銷開支、行政開支和其他開支的總和。

CHAIRMAN'S STATEMENT
主席報告書

In 2021, global inflation persisted due to the impact of the protracted Covid-19 pandemic. To cope with the situation, the central banks across the world started to tighten their monetary policies, which may slow down economic growth in the future. China still led the world in economic development and the prevention and control of the pandemic. In 2021, the Chinese government started off the "14th Five-year Plan" by pressing ahead with the projects of the "New Infrastructure, New Urbanisation Initiatives and Major Projects" which include the major transportation and water conservancy construction projects. This can generate long-term, huge domestic demand, contributing to the economic growth. It is expected that such policies will continue to add new impetus to social and economic development, and will drive consistent, steady growth in the infrastructure construction and pipeline industries.

全球於2021年繼續受新冠肺炎疫情影響，全球通脹勢態持續，令全球央行開始踏入收緊貨幣政策的步伐，未來經濟增長或出現減速。中國的經濟發展和疫情防控仍保持全球領先地位，而2021年正是「十四五」規劃開局之始，中國政府聚焦「兩新一重」，積極推進新型基礎設施、新型城鎮化及交通水利等重大工程建設，可產生長期而龐大的內需，促進經濟增長。預期政策將繼續為社會經濟發展提供新動力，將會帶動基礎建設和管道行業持續穩定增長。

As a leading large-scale industrial conglomerate that manufactures piping and building materials in mainland China, China Lesso capitalises on the Chinese government's favorable policies and the strong demand of the domestic market by fully developing all lines of its business. Although the real estate sector benefited from the support of various favourable policies, the sector was faced with unprecedented challenges in terms of the prospects for profitability and financial strength due to the deterioration of the external economic environment, significant fluctuations in raw material prices and continued uncertainty in the real estate sector in the second half of the year. This also had an impact on the overall business performance of the Group. The Group's revenue amounted to RMB32,058 million in 2021, representing an increase of 14.2% compared with RMB28,073 million in 2020, while gross profit was RMB8,448 million, representing an increase of 0.8%. Profit attributable to owners of the Company decreased by 18.8% to RMB3,044 million due to various negative factors during the year. The Board proposed payment of a final dividend of HK26 cents per share for the year ended 31 December 2021.

中國聯塑作為中國內地領先的大型管道建材產業集團，一直積極把握利好的國家政策對基礎設施和管道的穩定需求，全面發展各板塊業務。雖然受各政策利好因素支持，但由於下半年外圍經濟環境轉差，原材料價格大幅波動，房地產板塊更出現持續的不確定性，房企的盈利前景和財務能力受到前所未有的考驗，因而影響本集團的整體業務表現。於2021年，本集團收入為人民幣320.58億元，較2020年的人民幣280.73億元同比增加14.2%，毛利則為人民幣84.48億元，同比增加0.8%。受年內各項負面因素拖累，本公司擁有人應佔溢利下跌18.8%至人民幣30.44億元。董事會建議宣派截至2021年12月31日止年度之末期股息為每股26港仙。

The Group started the strategic upgrade for its brand in 2021 by revamping its brand positioning and image. It put forward a new slogan "Envisioning the Better, Building the Future", while focusing on product quality, persisting in creativity, and creating high-value products and services for the society. The Group had been fulfilling its brand's commitment to sustaining a healthy and scenic living space. It is committed to providing sustainable, green products and services to promote green construction which is conducive to health and cultural development.

本集團於2021年開展了品牌戰略升級，對品牌定位、形象等進行整體煥新，提出了「美好洞見未來」的全新品牌口號，並專注產品品質，堅持創造力，為社會創造高價值的產品與服務，履行為健康美好空間永續的品牌承諾，致力提供可持續綠色產品及服務，助力人文健康的綠色建築。

On behalf of the Board, I would like to express my heartfelt gratitude to all employees for their diligence and contribution, especially for their dedication to providing quality products and services during the last challenging year. China Lesso will maintain piping manufacturing as its core business while expanding its businesses of building materials, home improvement and environmental protection. We will continue to strive for a better future through technological innovation. We will work tirelessly for better business performance and create greater value for our customers, employees, society and Shareholders while expanding and sustaining healthy, scenic living spaces in cities.

本人謹代表董事會向全體員工的辛勤付出及貢獻致以衷心謝意，尤其感謝他們在過去充滿挑戰的一年中致力提供優質產品和服務。中國聯塑將以管道產業為核心，不斷拓展至建材家居、環保等各個領域，以科技創新為載體，將美好延續到我們所嚮往的未來，並致力爭取更佳的成績，實現客戶、員工、社會、股東的共贏成果，在城市中推動「健康美好空間」，在生活中永續。

Wong Luen Hei
Chairman of the Board
Hong Kong, 28 March 2022

董事會主席
黃聯禧
香港，2022年3月28日

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT
董事及高級管理人員履歷

EXECUTIVE DIRECTORS

Mr. Wong Luen Hei, aged 59, is the founder of the Group, the chairman of the Company and was appointed as an executive director of the Company on 5 November 2009. He is also a director of various companies within the Group. He is primarily responsible for the Group's overall strategic planning and business management. Mr. Wong has approximately 25 years of experience in plastic pipe operations and management. He served as the chairman in Shunde Liansu Industrial from December 1996 to April 1999 and was awarded "Outstanding Private Entrepreneur of Shunde" by Shunde People's Government of Foshan in 2003. Mr. Wong has been a permanent honorary president of Foshan Shunde Longjiang General Chamber of Commerce since 2018. Mr. Wong is the spouse of Ms. Zuo Xiaoping and the brother-in-law of Mr. Zuo Manlun. Mr. Wong is the founder of a trust which holds the entire issued share capital of Xi Xi Development and New Fortune, the controlling shareholders of the Company.

Mr. Zuo Manlun, aged 49, is the chief executive of the Group and was appointed as an executive director of the Company on 27 February 2010. He is also a director/general manager/supervisor of various companies within the Group. He is primarily responsible for the management of the daily business operations of the Group. Mr. Zuo has approximately 22 years of experience in the plastic pipe industry. Mr. Zuo joined the Group in December 1999 and has held various positions in operation management since joining the Group. Mr. Zuo is currently a non-executive director of Xingfa Aluminium Holdings Limited (stock code: 98), which is listed on the Stock Exchange. Mr. Zuo won several awards including "Outstanding Worker of the Plastic Industry in the PRC" by China Plastics Processing Industry Association in 2009 and was awarded as "Senior Plastic Product Engineer (Technical Entrepreneur)" by the Guangdong Human Resources and Social Security Department in 2019. Mr. Zuo is the brother-in-law of Mr. Wong Luen Hei and the younger brother of Ms. Zuo Xiaoping.

Ms. Zuo Xiaoping, aged 55, is a vice president of the Group and was appointed as an executive director of the Company on 27 February 2010. She is also a director/supervisor of various companies within the Group. She is primarily responsible for procurement control and logistics management of the Group. Ms. Zuo has approximately 25 years of experience in the plastic pipe industry. Ms. Zuo served as a director of Shunde Liansu Industrial from December 1996. In 1999, upon establishing the Group together with Mr. Wong Luen Hei, she held various positions in procurement. Ms. Zuo is the spouse of Mr. Wong Luen Hei and the elder sister of Mr. Zuo Manlun.

執行董事

黃聯禧先生，59歲，為本集團創辦人兼本公司主席，於2009年11月5日獲委任為本公司執行董事。彼亦於本集團內多間成員公司擔任董事職務。彼主要負責本集團的整體戰略策劃及業務管理。黃先生於塑料管道經營及管理方面累積約25年經驗。彼於1996年12月至1999年4月擔任順德聯塑實業的主席，並於2003年獲佛山市順德區人民政府評為「順德優秀民營企業家」。黃先生自2018年起任佛山市順德區龍江總商會永遠名譽會長。黃先生乃左笑萍女士的配偶及左滿倫先生的姐夫。黃先生為持有本公司控股股東西溪發展及新富星全部已發行股本之信託的創辦人。

左滿倫先生，49歲，為本集團行政總裁，並於2010年2月27日獲委任為本公司執行董事。彼亦於本集團內多間成員公司擔任董事／總經理／監事職務。彼主要負責本集團日常業務經營管理。左先生於塑料管道行業累積約22年經驗。左先生於1999年12月加盟本集團，自此於經營管理方面曾擔任不同職位。左先生現任在聯交所上市的興發鋁業控股有限公司(股份代號：98)非執行董事。左先生曾獲多個獎項，包括於2009年獲中國塑料加工工業協會評定為「中國塑料行業先進工作者」及2019年獲廣東省人力資源和社會保障廳評定為「塑膠製品工程正高級工程師(科技型企業家)」。左先生乃黃聯禧先生的內弟及左笑萍女士的胞弟。

左笑萍女士，55歲，為本集團副總裁，並於2010年2月27日獲委任為本公司執行董事。彼亦於本集團內多間成員公司擔任董事／監事職務。彼主要負責本集團的採購監控及物流管理。左女士於塑料管道行業累積約25年經驗。左女士自1996年12月起擔任順德聯塑實業的董事。於1999年，彼與黃聯禧先生一同成立本集團，出任不同的採購職務。左女士乃黃聯禧先生的配偶及左滿倫先生的胞姐。

EXECUTIVE DIRECTORS (Continued)

Mr. Lai Zhiqiang, aged 55, is a vice president of the Group and was appointed as an executive director of the Company on 27 February 2010. He is also a director of various companies within the Group. He is primarily responsible for the production and technical management of the Group. Mr. Lai has approximately 25 years of experience in the plastic pipe industry and served as a workshop manager of Shunde Liansu Industrial from December 1996 to November 1999. Mr. Lai joined the Group in December 1999 and has held various positions in production management since joining the Group.

Mr. Kong Zhaocong, aged 56, is a vice president of the Group and was appointed as an executive director of the Company on 27 February 2010. He is also a director/general manager/supervisor of various companies within the Group. Mr. Kong is primarily responsible for the China's sales of the Group and has approximately 28 years of experience in the plastic pipe industry. Mr. Kong joined the Group in December 1999 and has held various positions in production management and sales since joining the Group. Prior to joining the Group, Mr. Kong served as a factory manager at Foshan City Dongjian Plastic Materials Factory from March 1993 to January 1999 and served as a manager in the production department of Shunde Liansu Industrial from January 1999 to November 1999.

Mr. Chen Guonan, aged 54, is a vice president of the Group and was appointed as an executive director of the Company on 27 February 2010. He is also a director of various companies within the Group. He is primarily responsible for the management and production of certain companies in the Group. Mr. Chen has approximately 32 years of experience in the plastic pipe industry. Mr. Chen joined the Group in December 1999 and has held various positions in production management and engineering since joining the Group. Prior to joining the Group, Mr. Chen was a manufacturing engineer in the technology department at Guangdong Province Zhaoqing Gaojiang Plastic Products Co., Limited from July 1989 to July 1993. From July 1993 to September 1999, he was a deputy factory manager at Foshan City Dongjian Plastic Materials Factory. Mr. Chen served as a manager in the production department of Shunde Liansu Industrial from September 1999 to November 1999. Mr. Chen has been a deputy secretary general of Plastic Pipe Special Committee of China Plastics Processing Industry Association since 2005. Mr. Chen obtained a bachelor's degree in polymer chemical from South China University of Technology in July 1989.

執行董事(續)

賴志強先生，55歲，為本集團副總裁，並於2010年2月27日獲委任為本公司執行董事。彼亦於本集團內多間成員公司擔任董事職務。彼主要負責本集團的生產及技術管理。賴先生於塑料管道行業累積約25年經驗，並於1996年12月至1999年11月擔任順德聯塑實業的車間經理。賴先生於1999年12月加盟本集團，自此曾任生產管理方面的不同職務。

孔兆聰先生，56歲，為本集團副總裁，並於2010年2月27日獲委任為本公司執行董事。彼亦於本集團內多間成員公司擔任董事／總經理／監事職務。孔先生主要負責本集團的國內銷售工作，於塑料管道行業擁有約28年經驗。孔先生於1999年12月加盟本集團，自此於生產管理及銷售方面曾擔任不同職務。於加盟本集團之前，孔先生於1993年3月至1999年1月擔任佛山市東建塑料廠的廠長，並於1999年1月至1999年11月擔任順德聯塑實業的生產部經理。

陳國南先生，54歲，為本集團副總裁，並於2010年2月27日獲委任為本公司執行董事。彼亦於本集團內多間成員公司擔任董事職務。彼主要負責本集團多間成員公司的管理及生產工作。陳先生於塑料管道行業擁有約32年經驗。陳先生於1999年12月加盟本集團，自此於生產管理及工程方面曾擔任不同職務。於加盟本集團之前，陳先生於1989年7月至1993年7月為廣東省肇慶高江塑料製品有限公司的技術部製造工程師。於1993年7月至1999年9月，彼為佛山市東建塑料廠的副廠長。陳先生於1999年9月至1999年11月擔任順德聯塑實業的生產部經理。陳先生自2005年起擔任中國塑料加工工業協會塑料管道專業委員會副秘書長。陳先生於1989年7月取得華南理工大學頒授的高分子化學學士學位。

EXECUTIVE DIRECTORS (Continued)

Dr. Lin Shaoquan, aged 46, is a vice president of the Group and was appointed as an executive director of the Company on 27 February 2010. He is also a director of various companies within the Group. Dr. Lin is primarily responsible for the research and development and overseas sales of the Group. Dr. Lin has approximately 19 years of experience in the plastic pipe industry. Dr. Lin joined the Group in July 2002 and has held various positions in research and development and overseas sales since joining the Group. Dr. Lin is currently an executive director of WIIK Public Company Limited (stock code: WIIK), which is listed on the Stock Exchange of Thailand. Over the years, Dr. Lin has won various awards including "National May First Labour Medal" by All-China Federation of Trade Unions in 2006. Dr. Lin received a doctorate degree in polymer chemical and physics from Sun Yat-sen University in June 2002.

Mr. Huang Guirong, aged 46, is a vice president of the Group and was appointed as an executive director of the Company on 27 February 2010. He is also a director/general manager/supervisor of various companies within the Group. Mr. Huang is primarily responsible for the overall management of the factories and production facilities of the Group and has approximately(s)1( )cd[d[d[d[e Group. Mr. Huv pros (a)1(t)1 2 resident oET

manager at Foshan City Dongjian Plastic Materials Factory from 1996 until 1999 and served as a deputy manager of the plastic production department of Shunde Liansu Industrial from June 1999 to November 1999. Mr. Huang completed a programme of marketing from Hubei University of Technology from September 2001 to July 2005.

Mr. Luo Jianfeng, aged 50, was appointed as an executive director of the Company on 2 April 2010. He is also a director/general manager/supervisor of various companies within the Group. Mr. Luo has approximately 29 years of experience in accounting and worked at Shunde City Accounting Firm from July 1993 to March 1996, Guangdong Dezheng Accounting Firm with Limited Liability from April 1996 to December 2001 and Guangdong Gongcheng Accounting Firm from January 2002 to December 2007. Mr. Luo worked for Foshan City Zhongzhengcheng Accounting Firm Co., Limited as a certified public accountant from January 2008 to April 2016. Mr. Luo is currently an executive director of Xingfa Aluminium Holdings Limited (stock code: 98), which is listed on the Stock Exchange. Mr. Luo is a member of The Chinese Institute of Certified Public Accountants. Mr. Luo obtained a bachelor's degree in economics from Guangdong University of Business Studies in June 1993.

執行董事(續)

林少全博士，46歲，為本集團副總裁，並於2010年2月27日獲委任為本公司執行董事。彼亦於本集團內多間成員公司擔任董事職務。林博士主要負責本集團的研發及海外銷售工作。林博士於塑料管道行業擁有約19年經驗。林博士於2002年7月加盟本集團，自此於研發及海外銷售方面曾擔任不同職務。林博士現任在泰國證券交易所上市的WIIK Public Company Limited(股份代號：WIIK)執行董事。林博士多年來曾獲多個獎項，包括於2006年獲中華全國總工會頒授「全國五一勞動獎章」。林博士於2002年6月在中山大學取得高分子化學與物理博士學位。

黃貴榮先生，46歲，為本集團副總裁，並於2010年2月27日獲委任為本公司執行董事。彼亦於本集團內多間成員公司擔任董事／總經理／監事職務。黃先生主要負責本集團工廠及生產設備的整體管理，並於塑料管道行業擁有約25年經驗。黃先生於1999年12月加盟本集團，自此於生產管理方面曾擔任不同職務。於加盟本集團之前，黃先生於1996年至1999年擔任佛山市東建塑料廠的副廠長，並於1999年6月至1999年11月擔任順德聯塑實業的塑料生產部副經理。黃先生於2001年9月至2005年7月在湖北工業大學完成市場營銷課程。

羅建峰先生，50歲，於2010年4月2日獲委任為本公司執行董事。彼亦於本集團內多間成員公司擔任董事／總經理／監事職務。羅先生於會計方面擁有約29年經驗，並於1993年7月至1996年3月任職於順德市會計師事務所、於1996年4月至2001年12月任職於廣東德正有限責任會計師事務所及於2002年1月至2007年12月任職於廣東公誠會計師事務所。於2008年1月至2016年4月，羅先生在佛山市中正誠會計師事務所有限公司擔任註冊會計師。羅先生現任在聯交所上市的興發鋁業控股有限公司(股份代號：98)執行董事。羅先生為中國註冊會計師協會會員。羅先生於1993年6月取得廣東商學院的經濟學學士學位。

EXECUTIVE DIRECTORS (Continued)

Mr. Lin Dewei, aged 61, has been re-designated as an executive director of the Company on 11 July 2018. Mr. Lin was appointed as a non-executive director of the Company on 27 February 2010. He is also a director/supervisor of various companies within the Group. Mr. Lin has more than 25 years of experience in the legal field and worked as a part-time lawyer at various law firms in the PRC between 1995 and 2001. In 2001, Mr. Lin practised as a lawyer at Guangdong Everwin Law Office and became a partner at the firm in 2004. Mr. Lin practised as a lawyer at Guangdong Yogo Law Firm from 2013 to 2020. Mr. Lin is currently a non-executive director of HC Group Inc. (stock code: 2280), which is listed on the Stock Exchange. Mr. Lin obtained a bachelor's degree in physics from South China University of Technology in July 1982. Mr. Lin received a certificate of lawyer qualification in the PRC in January 1990.

執行董事(續)

林德緯先生，61歲，於2018年7月11日已獲調任為本公司執行董事。林先生於2010年2月27日獲委任為本公司非執行董事。彼亦於本集團內多間成員公司擔任董事／監事職務。林先生於法律行業累積逾25年經驗，並於1995年至2001年間在多間中國律師事務所任職兼職律師。於2001年，林先生在廣東法制盛邦律師事務所任職律師，並於2004年成為該律師事務所的合夥人。林先生於2013年至2020年在廣東粵高律師事務所任職律師。林先生現任在聯交所上市的慧聰集團有限公司(股份代號：2280)非執行董事。林先生於1982年7月獲得華南理工大學物理學學士學位，並於1990年1月獲頒發中國的律師資格證書。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wong Kwok Ho Jonathan, aged 48, was appointed as an independent non-executive director of the Company on 27 February 2010. Since 2002, Mr. Wong has been practising as a barrister of the High Court in Hong Kong specialising in both civil and criminal litigation. Mr. Wong is a member of The Chartered Institute of Arbitrators. Mr. Wong obtained a bachelor's degree in business administration from Hawaii Pacific University in August 1997 and a bachelor's degree in law from City University of Hong Kong in November 2001. Mr. Wong received a postgraduate certificate in laws from City University of Hong Kong in July 2002.

獨立非執行董事

王國豪先生，48歲，於2010年2月27日獲委任為本公司獨立非執行董事。自2002年以來，王先生一直在香港高等法院擔任大律師，專責處理民事及刑事訴訟。王先生為英國特許仲裁員學會會員。王先生於1997年8月在夏威夷太平洋大學取得工商管理學士學位及於2001年11月在香港城市大學取得法律學士學位。王先生於2002年7月在香港城市大學取得法學專業證書。

Ms. Lan Fang, aged 46, was appointed as an independent non-executive director of the Company on 1 January 2015. Ms. Lan has been the President of Guangdong Construction and Decoration Materials Association since March 2008 and the President of Guangdong Construction and Decoration Design Association since August 2014. Ms. Lan graduated from Guangdong University of Technology with a college diploma in June 1996 and then pursued further studies in the EMBA CEO training programme of Sun Yat-sen University and the business management CEO training programme of Tsinghua University. She worked as the chairman of the materials committee of Guangzhou Architecture & Decoration Association from February 1998 to October 2006. Ms. Lan has accumulated over 24 years of experience with respect to the administration of social organisation and in the industry of construction and decoration materials.

蘭芳女士，46歲，於2015年1月1日獲委任為本公司獨立非執行董事。蘭女士從2008年3月至今為廣東省建築裝飾材料行業協會會長及從2014年8月至今為廣東省建築裝飾設計協會會長。蘭女士於1996年6月畢業於廣東工業大學，獲大專學歷，並先後就讀中山大學EMBA總裁班、清華大學企業管理總裁班。於1998年2月至2006年10月，彼在廣州市建築裝飾行業協會擔任材料專業委員會主任。蘭女士具有逾24年的社會組織管理和建築裝飾材料行業經驗。

INDEPENDENT NON-EXECUTIVE DIRECTORS (Continued)

Dr. Tao Zhigang, aged 56, was appointed as an independent non-executive director of the Company on 1 September 2015. Dr. Tao is HSBC Professor of Global Economy and Business Strategy in the Faculty of Business and Economics and the director of the Institute for China and Global Development, the University of Hong Kong. Prior to joining the University of Hong Kong in 1998, he taught at Hong Kong University of Science and Technology from 1992 to 1998. Dr. Tao received his B.Sc. in management science from Fudan University in 1986, and PhD in economics from Princeton University in 1992. Dr. Tao had been an independent non-executive director of Huadian Fuxin Energy Corporation Limited (stock code: 816), which was listed on the Stock Exchange, from June 2014 to October 2020. Dr. Tao has joined Cheung Kong Graduate School of Business as Professor of Economics and Management since 16 August 2021.

Mr. Cheng Dickson, aged 52, was appointed as an independent non-executive director of the Company on 11 July 2018. Mr. Cheng is currently (i) an independent director of Magnum Opus Acquisition Limited (Ticker: OPA.U), which is listed on the New York Stock Exchange; and (ii) the general manager at the investor relations department of The Hong Kong and China Gas Company Limited (stock code: 3), which is listed on the Stock Exchange.

Prior thereto, Mr. Cheng worked in J.P. Morgan between August 1994 and February 1996. In December 1995, he was promoted to TCRM professional in its global markets department. Between March 1996 and June 2000, Mr. Cheng worked in the securities lending department of The Bank of New York, Hong Kong Branch. From July 2000 to August 2002, Mr. Cheng worked as an assistant vice president in the equity capital markets division of BOCI Asia Limited. In August 2002, Mr. Cheng joined ICEA Capital Limited and worked in its investment banking division until October 2005 when he was a senior vice president. Mr. Cheng was an executive director at the respective capital markets department in the investment banking division of Mitsubishi UFJ Securities (HK) Capital, Limited and Mizuho Securities Asia Limited from November 2005 to October 2016. From July 2017 to December 2021, Mr. Cheng worked as a managing director and head of the investment banking department of Shanggu Securities Limited. He also acted as its responsible officer. Mr. Cheng has more than 25 years of experience in investment banking industry. Mr. Cheng obtained a bachelor's degree in arts majoring in economics from University of Toronto in June 1994 and a master of applied finance degree majoring in corporate finance from Macquarie University of Australia in November 2000.

獨立非執行董事(續)

陶志剛博士，56歲，於2015年9月1日獲委任為本公司獨立非執行董事。陶博士為香港大學經濟及工商管理學院匯豐基金教授（環球經濟與企業策略），以及中國與全球發展研究所所長。於1998年加入香港大學前，彼於1992年至1998年任教於香港科技大學。陶博士於1986年取得復旦大學管理科學理學士學位，以及於1992年取得普林斯頓大學經濟學博士學位。於2014年6月至2020年10月，陶博士曾於在聯交所上市的華電福新能源股份有限公司（股份代號：816）任獨立非執行董事。陶博士於2021年8月16日起加入長江商學院擔任經濟學及管理學教授。

鄭迪舜先生，52歲，於2018年7月11日獲委任為本公司獨立非執行董事。鄭先生目前為(i) Magnum Opus Acquisition Limited（於紐約證券交易所上市，股票代碼：OPA.U）的獨立董事；及(ii)在聯交所上市的香港中華煤氣有限公司（股票代號：3）的投資者關係部總經理。

在此之前，鄭先生自1994年8月至1996年2月任職於摩根大通。於1995年12月，彼獲晉升為環球市場部TCRM專家。於1996年3月至2000年6月間，鄭先生於紐約銀行香港分行證券借貸部任職。自2000年7月至2002年8月，鄭先生為中銀國際亞洲有限公司股權資本市場分部助理副總裁。於2002年8月，鄭先生加入工商東亞融資有限公司，並在投資銀行部效力，直至2005年10月止，當時為高級副總裁。自2005年11月至2016年10月，鄭先生曾先後於三菱日聯證券（香港）資本有限公司及瑞穗證券亞洲有限公司的投資銀行部轄下資本市場部擔任執行董事。自2017年7月至2021年12月，鄭先生為上古證券有限公司董事總經理兼投資銀行部主管並擔任其負責人。鄭先生在投資銀行業擁有逾25年經驗。鄭先生於1994年6月取得多倫多大學文學士學位，主修經濟，並於2000年11月取得澳洲麥克里大學的應用財務碩士學位，主修企業融資。

INDEPENDENT NON-EXECUTIVE DIRECTORS (Continued)

Ms. Lu Jiandong, aged 52, was appointed as an independent non-executive director of the Company on 1 September 2020. Ms. Lu is currently employed by Jiaxing TechnoDerma Medicines, Ltd. as an executive director and chief financial officer. Prior to this, Ms. Lu worked as an executive director and chief financial officer for NASDAQ listed Rise Education Cayman Ltd (Ticker: REDU) from September 2018 to December 2020. Ms. Lu also served as an executive director in a subsidiary of the Company from January 2018 to July 2018. Ms. Lu worked for J.P. Morgan from August 2001 to February 2017, during which, she served as a managing director for J.P. Morgan investment banking team, junior resource manager for Asia Pacific region, chief operating officer for J.P. Morgan China securities joint venture, managing director and China head for J.P. Morgan infrastructure fund. Ms. Lu has extensive investment banking and investment experiences. She also has deep knowledge about capital markets and operation management. Ms. Lu served as a senior representative at John Hancock Mutual Life Insurance Company Beijing Representative Office from July 1994 to June 1999, and she also served as a public officer and chief translator in The Chinese People's Friendship Association with Foreign Countries from August 1991 to July 1994. Ms. Lu obtained a master degree in business administration from The Wharton School of the University of Pennsylvania in May 2001 and a Bachelor's degree in economics from Beijing International Studies University in July 1991.

獨立非執行董事(續)

呂建東女士，52歲，於2020年9月1日獲委任為本公司獨立非執行董事。呂女士目前擔任嘉興特科羅生物科技有限公司執行董事兼首席財務官。在此之前呂女士曾於2018年9月至2020年12月在納斯達克上市的Rise Education Cayman Ltd（股票代碼：REDU）擔任執行董事和首席財務官。呂女士亦曾於2018年1月至2018年7月在本公司一間附屬公司擔任執行董事。呂女士於2001年8月至2017年2月就職於摩根大通，期間擔任過投行部董事總經理、亞太區初級員工總經理、摩根大通中國合資公司首席運營官、摩根大通基礎設施基金董事總經理兼中國區負責人。呂女士擁有具備豐富的投行和投資經驗，對資本市場和企業運營有深刻的了解。呂女士於1994年7月至1999年6月於美國恒康相互人壽保險公司北京代表處擔任高級代表，並於1991年8月至1994年7月於中國人民對外友好協會擔任公職人員及首席翻譯。呂女士於2001年5月獲得賓夕法尼亞大學沃頓商學院工商管理碩士學位，並於1991年7月取得北京第二外國語學院經濟學士學位。

SENIOR MANAGEMENT

Mr. Liu Guanggen, aged 40, is the chief financial officer of the Group and is responsible for the Group's overall financial and accounting affairs. Mr. Liu joined the Group in November 2008. Prior to this, he worked as a finance manager in The Industrial and Commercial Bank of China, Shunde Branch from 2004 to 2006, and was a sub-branch manager of The Industrial and Commercial Bank of China, Foshan Shunde Haiqinwan Sub-Branch from 2007 to 2008. Mr. Liu completed a diploma in finance from Southwestern University of Finance and Economics in September 2005, a program in laws at Guangdong University of Business Studies from March 2007 to January 2010, as well as obtaining a master degree in engineering from Chongqing University upon the completion of courses for the master degree in software engineering (specialised in financial informatisation) in June 2014. He is an associate member of the Association of International Accountants.

Mr. Kwan Chi Wai Samuel, aged 44, is the company secretary of the Company. Mr. Kwan has more than 20 years of experience in accounting, auditing and finance. Mr. Kwan joined the Group in June 2010 as secretary on a full time basis. Prior to joining the Group, Mr. Kwan worked in CWCC Certified Public Accountants from March 2000 to November 2004, PricewaterhouseCoopers from November 2004 to October 2007 and Deloitte Touche Tohmatsu from November 2007 to September 2009. The latter two firms are amongst the biggest international accounting firms. Mr. Kwan graduated with a bachelor's degree in Commerce from Deakin University of Australia in September 2000 and obtained a master degree in business administration from University of South Australia in August 2012. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and member of the CPA Australia.

高級管理層

劉廣根先生，40歲，為本集團財務總監，負責本集團的整體財務及會計事宜。劉先生於2008年11月加盟本集團，之前曾於2004年至2006年任中國工商銀行順德支行財務經理，並於2007年至2008年任中國工商銀行佛山順德海琴灣支行的支行經理。劉先生於2005年9月獲西南財經大學金融學文憑，於2007年3月至2010年1月完成廣東商學院的法律課程，並於2014年6月完成重慶大學的軟件工程領域工程（金融信息化方向）碩士課程取得工程碩士學位。彼為國際會計師公會之會員。

關志偉先生，44歲，為本公司的公司秘書。關先生在會計、審計及財務方面擁有逾20年經驗。關先生在2010年6月加入本集團，全職出任秘書。在加入本集團前，關先生於2000年3月至2004年11月任職陳黃鍾蔡會計師事務所、於2004年11月至2007年10月任職羅兵咸永道會計師事務所，及於2007年11月至2009年9月任職德勤•關黃陳方會計師行。後兩家會計師行屬最大國際會計師行之列。關先生於2000年9月在澳洲迪肯大學畢業，取得商業學士學位及於2012年8月在南澳大學取得工商管理碩士學位。彼為香港會計師公會資深會員及澳洲會計師公會會員。

CORPORATE GOVERNANCE PRACTICES

China Lesso is always committed to maintaining high standards of corporate governance practices and business ethics of the Group. The Board believes in good corporate governance practices and business ethics which are essential for achieving sustainable development, establishing investors' confidence in the Company and safeguarding and enhancing the interests of the Shareholders.

In pursuit of good and high standards of corporate governance practices, the Board reviews the corporate governance practices of the Company from time to time so as to meet the expectations of the Shareholders for continual improvement, and fulfill its commitment of pursuing excellent corporate governance. In the opinion of the directors, the Company complied with all the applicable code provisions of the Code during the reporting period, except that an independent non-executive director was unable to attend the annual general meeting of the Company held on 15 June 2021 (as provided for under the Code C.1.6) due to other business engagements. See page 19 for details.

企業管治常規

中國聯塑一直致力保持本集團高水平的企業管治常規及商業道德。董事會相信，良好的企業管治常規及商業道德，是達致可持續發展、建立投資者對本公司的信心以及保障和提升股東權益的關鍵。

為追求良好而高水平的企業管治常規，董事會不時檢討本公司的企業管治常規，以達到股東對更臻完善的期望，並且履行其對追求卓越企業管治的承諾。董事認為，除一名獨立非執行董事因其他業務的緣故無法出席本公司於2021年6月15日舉行的股東週年大會（按照守則第C.1.6條的規定）外，於報告期內本公司已遵守守則中的所有適用守則條文。有關詳情請參閱第19頁。

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code governing securities transactions by directors of the Company. Having made specific enquiry to the directors, all of them confirmed that they have complied with the required standards as set out in the Model Code throughout the year. The Model Code is also applicable to other specific senior management of the Company. The directors' and chief executive's interests and short positions in shares, underlying shares and debentures of the Company or any of its associated corporations are disclosed in the Directors' Report on pages 71 to 72.

董事進行證券交易之標準守則

本公司已採納標準守則作為本公司董事進行證券交易之守則。經向董事特定查詢後，所有董事確認彼等於年內一直遵守標準守則所載之規定標準。標準守則亦適用於本公司其他特定之高級管理人員。董事及行政總裁於本公司或其任何相聯法團的股份、相關股份及債權證的權益及淡倉於第71至72頁的董事會報告中披露。

BOARD

THE COMPOSITION OF THE BOARD

The Board currently comprises 15 directors, including 10 executive directors and 5 independent non-executive directors.

董事會

董事會組成

董事會現時由15名董事組成，包括10名執行董事及5名獨立非執行董事。

BOARD (Continued)

THE COMPOSITION OF THE BOARD (Continued)

Pursuant to the articles of association of the Company (the "Articles"), any director appointed to fill a casual vacancy or as an addition to the existing directors shall hold office only until the first annual general meeting ("AGM") of the Company after his appointment and shall then be eligible for re-election. In addition, at every AGM of the Company, not less than one-third of the directors for the time being shall retire from office by rotation provided that every director shall be subject to retirement by rotation at least once every three years. Apart from retirement by rotation pursuant to the Articles, each non-executive director has a term of within three years. Therefore, no director will remain in office for a term of more than three years. For details relating to any relationship among the members of the Board, including financial, business, family or other material/relevant relationship, please

董事會(續)

董事會組成(續)

根據本公司的組織章程細則(「章程細則」)，如任何董事獲委任以填補臨時空缺，或獲委任加入現任董事會為新董事，則任期僅至其獲委任後的本公司首個股東週年大會(「股東週年大會」)為止，並於其時合資格重選連任。此外，於本公司每屆股東週年大會上，應有不少於當時董事人數三分之一的董事輪席告退，惟每名董事須每三年至少輪席告退一次。除根據章程細則輪席告退外，每名非執行董事的任期為三年內。因此，董事的任期一概不會超過三年。有關董事會成員之間的任何關係，包括財務、業務、家屬或其他重大／相關的關係的詳情，請參閱「董事及高級管理人員履歷」及董事會報告的「董事及行政總裁於股份、相關股份及債權證的權益及淡倉」各節內。

主席及行政總裁

為有效區分董事會管理與本集團之日常管理及業務營運，主席由黃聯禧先生擔任及行政總裁由左滿倫先生擔任。主席之其中一項重要職能乃領導董事會，以確保董事會一直以本集團之最佳利益行事。主席須確保董事會有效運作，完全履行其職責，並確保所有重大問題能及時於董事會會議討論。就任何載於議程之建議事項，全體董事均獲得諮詢。主席已將每次董事會會議議程起草之責任委託予行政總裁及公司秘書。在行政總裁及公司秘書之協助下，主席旨在確保全體董事已適當了解任何董事會會議上提呈之問題，並已及時收到充分及可靠之信息。

BOARD (Continued)

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing corporate governance duties including:

(a) to develop and review the Company's policies and practices on corporate governance;

(b) to review and monitor the training and continuous professional development of directors and senior management;

(c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

(d) to review of the effectiveness of the Company's risk management and internal control system;

(e) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and

(f) to review the Company's compliance with Appendix 14 to the Listing Rules (Corporate Governance Code).

The Board has performed the above activities during 2021.

BOARD AND GENERAL MEETINGS

For the year ended 31 December 2021, the Board convened twelve meetings to review operating performance, funding requirement and recent market conditions. The Board also considered and approved the Group's overall strategy, audited annual results for the year ended 31 December 2020 and reviewed interim results for the six months ended 30 June 2021.

The chairman of the Board and the chairman of the audit committee, the nomination committee and the remuneration committee, attended the AGM of the Company held on 15 June 2021.

董事會(續)

企業管治職能

董事會負責履行的企業管治職責包括：

(a) 發展及檢討本公司企業管治政策及常規；

(b) 檢視及監督董事及高級管理人員的培訓及持續專業發展；

(c) 檢視及監督本公司在遵守法律及監管規定方面的政策及常規；

(d) 檢視本公司風險管理及內部控制系統的成效；

(e) 發展、檢討及監督適用於僱員及董事的操守準則及合規手冊(如有)；及

(f) 檢視本公司遵守上市規則附錄14(企業管治守則)之情況。

董事會於2021年期間已執行上述活動。

董事會會議及股東大會

截至2021年12月31日止年度，董事會召開十二次會議，以審閱營運表現、資金需求及最近市況。董事會亦已考慮和批准本集團之整體策略、截至2020年12月31日止年度的經審核全年業績及截至2021年6月30日止六個月的經審閱中期業績。

董事會主席及審核委員會、提名委員會及薪酬委員會的主席均有出席本公司於2021年6月15日舉行的股東週年大會。

BOARD (Continued)

董事會(續)

BOARD AND GENERAL MEETINGS (Continued)

The table below sets out the attendance of all members of the Board at the meetings held in 2021:

董事會會議及股東大會(續)

下表載列2021年董事會各成員的出席會議情況：

Directors	董事	AGM[b] 股東週年大會[b]	Board 董事會	Meetings attended/eligible to attend[a] 出席次數／合資格出席的次數[a] Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會
Executive directors	**執行董事**					
Wong Luen Hei	黃聯禧	1/1	12/12	–	1/1	2/2
Zuo Manlun	左滿倫	1/1	12/12	–	1/1	2/2
Zuo Xiaoping	左笑萍	1/1	11/12	–	–	–
Lai Zhiqiang	賴志強	1/1	12/12	–	–	–
Kong Zhaocong	孔兆聰	1/1	12/12	–	–	–
Chen Guonan	陳國南	1/1	12/12	–	–	–
Lin Shaoquan	林少全	1/1	12/12	–	–	–
Huang Guirong	黃貴榮	1/1	12/12	–	–	–
Luo Jianfeng	羅建峰	1/1	12/12	–	–	–
Lin Dewei	林德緯	1/1	12/12	–	–	–
Independent non-executive directors	**獨立非執行董事**					
Wong Kwok Ho Jonathan	王國豪	–/1	12/12	1/2	1/1	2/2
Lan Fang	蘭芳	1/1	12/12	–	1/1	–
Tao Zhigang	陶志剛	1/1	12/12	2/2	1/1	2/2
Cheng Dickson	鄭迪舜	1/1	12/12	2/2	–	–
Lu Jiandong	呂建東	1/1	12/12	2/2	–	2/2

Note:

(a) Directors may attend meetings in person, by phone or through other means of video conference in accordance with the Articles.

(b) There was no other general meeting held in 2021.

附註：

(a) 根據章程細則規定，董事均可親身、透過電話或其他視像會議途徑出席大會。

(b) 於2021年內，概無其他股東大會舉行。

BOARD (Continued)

BOARD AND GENERAL MEETINGS (Continued)

The Company gives proper notices of Board meetings to the directors and the procedure of Board meetings is in compliance with the Articles and the relevant rules and regulations. The agenda and the relevant documents are provided to all directors in a timely manner. The chairman gives a proper briefing to all directors on items to be put forward at a Board meeting. To ensure compliance with the procedure of Board meetings and all applicable rules and regulations, all directors gain a full understanding of all relevant data in a timely manner and receive advice and services from the company secretary. The minutes of Board meetings are kept by the company secretary and are available for inspection by the directors and the auditor of the Company.

TRAINING AND SUPPORT FOR DIRECTORS

The directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company provides a comprehensive induction package covering the summary of the responsibilities and obligations of a director of a Hong Kong listed company, the Company's constitutional documents and the Guides on Directors' Duties issued by the Hong Kong Companies Registry to each newly appointed director to ensure he/she to have sufficient awareness of good corporate governance practices.

The company secretary reports from time to time the latest changes and development of the Listing Rules, corporate governance practices and other regulatory regime to the directors with written materials, as well as organises seminars on the professional knowledge and latest development of regulatory requirements related to director's duties and responsibilities.

In 2021, the Company provided a seminar on the topic of "Introduction of Anti-Corruption" to Board members.

董事會 (續)

董事會會議及股東大會 (續)

本公司向董事發出恰當的董事會會議通告，而董事會會議程序均遵守章程細則及相關規則及規例。議程及相關文件按時向全體董事發出。主席就董事會會議上提出的事項向全體董事作適當簡報。為確保符合董事會會議程序及所有適用規則及規例，所有董事均及時全面地瞭解所有相關數據，並獲公司秘書提供意見及服務。董事會會議記錄由公司秘書保存，可供本公司董事及核數師查閱。

董事培訓及支援

本公司鼓勵董事參與持續專業發展，發展並更新彼等之知識及技能。本公司向每名新委任的董事提供全面的就任資料文件，涵蓋香港上市公司董事之職責及義務概要、本公司之組織章程文件以及香港公司註冊處發出的董事責任指引，確保有關董事充分知悉最佳企業管治常規。

公司秘書不時向董事匯報上市規則、企業管治常規以及其他監管制度之最新變動及發展並提供相關書面資料，亦安排講座講解有關董事職務及職責之專業知識及監管規定的最新發展。

於2021年，本公司為董事會成員舉辦了一場研討會，主題為「反貪腐簡介」。

BOARD (Continued)

董事會(續)

TRAINING AND SUPPORT FOR DIRECTORS (Continued)

Apart from the above training offered by the Company, based on the training records provided to the Company by the directors, the directors also participated in the following trainings during 2021:

董事培訓及支援(續)

除了上述由本公司提供的培訓外，根據董事向本公司提供的培訓記錄，於2021年，董事亦有參與以下培訓：

Directors	董事	Type of trainings 培訓類型
Executive directors	**執行董事**	
Wong Luen Hei	黃聯禧	A,C
Zuo Manlun	左滿倫	A,C
Zuo Xiaoping	左笑萍	A,C
Lai Zhiqiang	賴志強	A,C
Kong Zhaocong	孔兆聰	A,C
Chen Guonan	陳國南	A,C
Lin Shaoquan	林少全	A,C
Huang Guirong	黃貴榮	A,C
Luo Jianfeng	羅建峰	A,C
Lin Dewei	林德緯	A,C
Independent non-executive directors	**獨立非執行董事**	
Wong Kwok Ho Jonathan	王國豪	A,C
Lan Fang	蘭芳	A,B,C
Tao Zhigang	陶志剛	A,B,C
Cheng Dickson	鄭迪舜	A,C
Lu Jiandong	呂建東	A,C

Note:

A: attending seminars and/or conferences and/or forums

B: delivering talks at seminars and/or conferences and/or forums

C: reading information, newspapers, journals and materials relating to the responsibilities of directors, economy, fiscal, financial, investments and business of the Company

附註：

A: 出席研討會及／或會議及／或論壇

B: 於研討會及／或會議及／或論壇發言

C: 閱讀有關董事職責、經濟、金融、財經、投資及與本公司業務的資訊、報章、刊物及資料

BOARD (Continued)

COMPANY SECRETARY

The company secretary reports to the Board so as to ensure compliance with the procedures of the Board meeting and ensure the Board is fully briefed on all legislations, regulations and corporate governance development and has considered opinions of the directors when making a decision. The company secretary is also directly responsible for the Group's compliance with its continuing obligations under the Listing Rules, Hong Kong Codes on Takeovers and Mergers and Share Buy-backs, Companies Ordinance, SFO and other applicable laws, rules and regulations.

During the reporting period, the company secretary has received no less than 15 hours of relevant professional training to refresh his knowledge and skills.

INDEMNIFICATION OF DIRECTORS AND OFFICERS

The directors and officers are indemnified under a directors' and officers' liability insurance against any liability incurred by them in the discharge of their duties while holding office as the directors and officers of the Company. The directors and officers shall not be indemnified where there is any fraud, breach of duty or breach of trust proven against them.

In accordance with the Articles, subject to the Cayman Islands Companies Act (as revised), every director, auditor or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by him as a director, auditor or other officer of the Company in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted.

董事會(續)

公司秘書

公司秘書乃向董事會匯報，以確保已遵從董事會會議程序，並確保董事會已就全部法例、規例和企業管治發展獲得全面簡報，且董事會作出決定時已考慮董事之意見。公司秘書亦直接負責本集團遵守上市規則、香港公司收購、合併及股份回購守則、公司條例、證券及期貨條例以及其他適用法律、規則及規例下之持續責任。

於報告期內，公司秘書已接受不少於15小時的相關專業培訓，以更新其知識及技能。

董事及行政人員的彌償

根據一項董事及行政人員責任保險，董事及行政人員就其擔任本公司董事及行政人員履行職責時招致的任何法律責任，均可獲彌償。如證明董事及行政人員有任何欺詐、違反責任或違反信託的行為，彼等則不獲彌償。

根據章程細則，在開曼群島公司法(經修訂)條文規限下，本公司每位董事、核數師或其他行政人員有權從本公司資產獲得彌償，以補償在任何法律程序抗辯中作為本公司董事、核數師或其他行政人員所招致或蒙受的一切損失或債項，不管是民事還是刑事法律程序，惟其須獲判勝訴或無罪。

BOARD COMMITTEES (Continued)

AUDIT COMMITTEE (Continued)

- review of the interim report and the interim results announcement for the six months ended 30 June 2021, with a recommendation to the Board for approval;
- review and approval of Ernst & Young's report for the Audit Committee for the six months ended 30 June 2021;
- consideration and approval of audit and non-audit services;
- review of the corporate governance report for the year ended 31 December 2020 and the corporate governance disclosures for the six months ended 30 June 2021, with recommendations to the Board for approval;
- review of the corporate social responsibility report for the year ended 31 December 2020 with a recommendation to the Board for approval; and
- review of the annual report on effectiveness of risk management, internal control system and internal audit function under the Code, with a recommendation to the Board for approval.

Subsequent to the year end, the Audit Committee reviewed the annual report and annual results announcement for the year ended 31 December 2021 with a recommendation to the Board for approval.

EXTERNAL AUDITORS

For the year ended 31 December 2021, the service fees paid or payable by the Group to the external auditors are set out as follows:

董事委員會(續)

審核委員會(續)

- 審閱截至2021年6月30日止六個月的中期報告及中期業績公告，並建議董事會通過；
- 審閱及通過安永會計師事務所致審核委員會截至2021年6月30日止六個月的報告；
- 考慮並通過審計及非審計服務；
- 審閱截至2020年12月31日止年度的企業管治報告及截至2021年6月30日止六個月的企業管治披露，並建議董事會通過；
- 審閱截至2020年12月31日止年度的企業社會責任報告，並建議董事會通過；及
- 根據守則審閱年度風險管理、內部控制系統及內部審核功能成效報告，並建議董事會通過。

於年度結束後，審核委員會審閱截至2021年12月31日止年度的年報及年度業績公告，並建議董事會通過。

外聘核數師

截至2021年12月31日止年度，本集團向外聘核數師已支付或應付之服務費用載列如下：

		RMB million 人民幣百萬元
Annual audit services	年度審計服務	8.92
Non-audit services	非審計服務	
– Interim results review	－中期業績審閱	1.85
– Others#	－ 其他#	1.05
Total	總計	11.82

"Others" were mainly for providing advice on matters in relation to taxation. The provision of these services by external auditors were cost effective and efficient due to their professional knowledge.

「其他」主要就有關稅務的事宜提供意見。基於外聘核數師的專業知識，由其提供該等服務具成本效益及效率。

BOARD COMMITTEES (Continued)

REMUNERATION COMMITTEE (Continued)

The Remuneration Committee shall convene at least one meeting each year. In 2021, the Remuneration Committee convened two meetings, assessed the performance of the Company's directors and senior management, reviewed terms of their service contracts, and made recommendation of the remuneration packages for directors and senior management to the Board. The attendance record of the meeting is set out on a named basis on page 19.

Details of directors' remuneration and five highest paid employees are set out in note 8 to the consolidated financial statements. In addition,

董事委員會(續)

薪酬委員會(續)

薪酬委員會須每年至少召開會議一次。於2021年，薪酬委員會召開了兩次會議、評估本公司董事及高級管理人員的表現、審閱彼等服務合約年期，並向董事會就董事及高級管理人員的薪酬方案提出推薦建議。該等會議之出席記錄(以列名形式)載列於第19頁。

有關董事薪酬及五名最高薪酬僱員的詳情載於綜合財務報表附註8。此外，兩名高級管理人員之酬金範圍為少於人民幣100萬元。

提名委員會

提名委員會由五名成員組成，即執行董事黃聯禧先生(提名委員會主席)、執行董事左滿倫先生、獨立非執行董事王國豪先生、蘭芳女士及陶志剛博士。提名委員會的主要職責是就本公司董事及高級管理人員的建議人選、選擇標準及程序進行研究並提出推薦建議。

本公司遵循一套正式、公平及透明的程序委任新董事加入董事會。提名委員會審閱董事會的架構、規模及組成，物色適合的人選(如有需要)，並向董事會提出推薦建議。董事提名政策列載董事會所採納以提名及甄選本公司董事(包括委任額外董事、替補董事及重選董事)的方法及程序。以下為董事提名政策所載甄選準則以及提名過程及程序的詳情。

BOARD COMMITTEES (Continued)

NOMINATION COMMITTEE (Continued)

In the determination of the suitability of a candidate, the Nomination Committee shall consider the potential contribution such candidate can dedicate to the Board in terms of his or her qualifications, skills, experience, independence, age, culture, ethnicity and gender diversity etc. The Nomination Committee shall consider the following selection criteria and such other factors that it may consider appropriate for a directorship, including but not limited to: (a) attributes complementary to the Board, (b) business experience, board expertise and skills, (c) availability, (d) motivation, (e) integrity, (f) independence and (g) diversity (in all aspects).

For the appointment of new and replacement directors, if the Board determines that an additional or replacement director is required, it will deploy multiple channels for identifying suitable director candidates, including referral from directors, shareholders, management, advisors of the Company and executive search firms. Upon compilation and interview of the list of potential candidates, the Nomination Committee will make recommendation to the Board based on the selection criteria and such other factors that it considers appropriate. The Board has the final authority on determining suitable director candidate for appointment.

For the re-election of directors, where a retiring director, being eligible, offers himself for re-election, the Board shall consider and, if consider appropriate, recommend such retiring director to stand for re-election at a general meeting. A circular containing the requisite information on such retiring director will be sent to shareholders prior to a general meeting in accordance with the Listing Rules.

For nomination of directors by shareholders, such nominating shareholder must follow the "Procedures for shareholder(s) of the Company proposing a person for election as a director" which is available on the Company's website.

In any event, the Board shall ensure that the nomination, re-election and/or appointment of the directors shall be conducted in compliance with the Listing Rules, the memorandum and articles of association of the Company and all other applicable laws, rules and regulations.

For further details, please refer to the nomination policy that is available on the Company's website.

董事委員會(續)

提名委員會(續)

在決定候選人是否適合時，提名委員會須考慮候選人在資歷、技能、經驗、獨立性、年齡、文化、種族及性別多元化等方面可為董事會帶來的潛在貢獻。提名委員會須考慮下述甄選準則及其可能認為適合董事會職位的其他因素，包括(但不限於)：(a)能配合董事會的特點、(b)業務經驗、董事會專業知識及技能、(c)時間、(d)主動性、(e)誠信、(f)獨立性及(g)多元化(全方位)。

就委任新任及替補董事而言，如董事會決定需要委任額外或替補董事，其將循多個渠道物色適合的董事候選人，包括本公司董事、股東、管理層、顧問及獵頭公司的推薦。在編撰準候選人名單及進行面談後，提名委員會將根據甄選準則及其認為適合的其他因素向董事會提出推薦建議。董事會擁有決定適合董事候選人以作出委任的最終權力。

就重選董事而言，如退任董事符合資格並願膺選連任，董事會應考慮並(如認為適當)建議該名退任董事在股東大會上重選連任。載有該名退任董事必需資料的通函將根據上市規則於股東大會舉行前寄發予股東。

就股東提名董事而言，該提名股東必須遵照已於本公司網站刊載的「本公司股東提名人選參選董事的程序」。

在任何情況下，董事會應確保提名、重選及／或委任董事乃遵照上市規則、本公司組織章程大綱及章程細則以及所有其他適用法例、規則及規例進行。

更多詳情請參閱本公司網站所刊載的提名政策。

BOARD COMMITTEES (Continued)

NOMINATION COMMITTEE (Continued)

The Nomination Committee shall convene at least one meeting each year. In 2021, the Nomination Committee convened one meeting. The Nomination Committee reviewed the structure, size and composition of the Board, recommended the Board on the list of retiring directors for re-election at the AGM on 15 June 2021 in accordance with the director nomination policy and Board diversity policy of the Company, and reviewed the independence of all independent non-executive directors. The Nomination Committee recommended the Board on nomination of retiring directors for re-election in accordance with the director nomination policy and Board diversity policy of the Company. The attendance record of the meeting is set out on a named basis on page 19.

BOARD DIVERSITY POLICY

The Board has adopted a Board diversity policy which sets out the approach to achieve diversity on the Board. The Board diversity policy is available on the website of the Company.

The Company recognises that increasing diversity at the Board level will support the attainment of the Company's strategic objectives and sustainable development. The Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and other qualities. The Company will also take into consideration its own business model and specific needs from time to time in determining the optimal composition of the Board. The Nomination Committee will review the Board diversity policy, as appropriate, to ensure its continued effectiveness from time to time.

As at the date of this report, the Board comprises 15 directors. Three of them are females. One third of the Board members are independent non-executive directors, thereby promoting critical review and control of the management process. The composition of the Board reflects the necessary balance of skills, professional experience and knowledge for effective leadership of the Company.

董事委員會(續)

提名委員會(續)

提名委員會須每年至少召開會議一次。於2021年，提名委員會召開了一次會議。提名委員會根據本公司董事提名政策及董事會成員多元化政策檢討董事會的架構、規模及組成，就2021年6月15日之股東週年大會上膺選連任的退任董事名單向董事會提出推薦建議，並審閱全體獨立非執行董事的獨立性。根據本公司董事提名政策及董事會成員多元化政策，提名委員會建議董事會提名退任董事重選連任。該等會議之出席記錄(以列名形式)載列於第19頁。

董事會成員多元化政策

董事會採納董事會成員多元化政策，該政策載列達致董事會成員多元化的方法。董事會成員多元化政策可於本公司網站查閱。

本公司知悉董事會層面日益多元化將為達成本公司策略目標及可持續發展提供支持。本公司藉考慮多項因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及其他資格，務求達致董事會成員多元化。本公司決定董事會最佳成員組合時，亦將不時考慮其本身業務模式及具體需要。提名委員會將(視適用情況而定)審閱董事會成員多元化政策，確保其不時持續有效。

於本報告日期，董事會包括15名董事。其中三名為女性。董事會成員其中三分之一為獨立非執行董事，藉以作出批判檢討及監控管理過程。董事會的組成反映本公司在達致有效領導所需的技能、專業經驗及知識方面取得必要平衡。

BOARD COMMITTEES (Continued)

BOARD DIVERSITY POLICY (Continued)

The Nomination Committee, after taking into account the business model of the Group, believes that the existing Board is adequate in terms of size, diversity and composition that are appropriate to facilitate effective decision making. The Nomination Committee also believes that each existing Board member possesses diverse skills and experience required for an effective Board and the Board collectively possesses core competencies necessary for the effective functioning of the Board and an informed decision-making process. The Board believes that board diversity is beyond just about gender diversity and embraces various factors such as a need for persons from different backgrounds, skill sets, experiences and competencies for a better Board performance. The Board will continue to evaluate and monitor the implementation of the appropriateness and effectiveness of the board diversity policy to ensure that it remains fit for purpose and aligns with the Group's businesses, strategies and objectives, such that the Board has a balance of skills, experience and diversity of perspectives, in addition to independent judgments provided by our independent non-executive directors.

Currently, women employees form 31.1% of the Group's workforce and 24.5% of its middle or above managerial level. All employees are treated equally regardless of gender, nationality, age, race or religion. The recruitment procedures are impartial and non-discriminative and each candidate is selected on the basis of objective criteria such as skills, experience or competency. The Board is of the view that the current gender ratio in the workforce is appropriate to the development of the Group.

董事委員會(續)

董事會成員多元化政策(續)

提名委員會經考慮本集團的業務模式後認為，現有董事會的規模、多元化及組成足以促進有效決策。提名委員會亦認為，每位現有董事會成員均具備令董事會富有成效所需的各種技能及經驗，而董事會共同擁有令董事會有效運作及作出知情決策過程所需的核心能力。董事會認為，董事會多元化不僅僅是性別多元化，同時亦涵蓋一系列因素，如需要來自不同背景、技能、經驗及能力的人士，以期更佳的董事會表現。董事會將繼續評估及監察董事會多元化政策的適當性及有效性的實施情況，以確保其仍適合目的，並與本集團的業務、策略及目標保持一致，令董事會在獨立非執行董事提供的獨立判斷外，在技能、經驗及觀點多元化方面保持平衡。

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is solely responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and ensuring the Group has established and maintained appropriate and effective risk management and internal control system. The Board is also responsible for monitoring the design, implementation and review on the risk management and internal control system as carried out by management, while management has the responsibility to provide confirmation on the effectiveness of such system. To this end, management continues to allocate resources for a risk management and internal control system compatible with the COSO (Committee of Sponsoring Organizations of the Treadway Commission) standards to provide reasonable, though not absolute, assurance against material misstatement or loss and to manage rather than eliminate the risk of failure in the operating system of the Group and in achieving business objectives of the Group.

The Board, through the Audit Committee, has continuously monitored and annually reviewed the effectiveness of the Group's risk management and internal control system, and the Board is of the view that the existing risk management and internal control system is sufficient, effective and adequate. The review covered all material aspects with regard to control, including financial control, operational control and compliance control during the reporting period. The internal audit reports submitted to the Audit Committee by the Group also cover aspects of risk management and internal control. The Board is not aware of any significant areas of concern which may affect the Shareholders, and believes that the Group has fully complied with the code provisions on internal controls, including compliance with legal and regulatory requirements, as set forth in the Code. The Board, through the appraisal performed by the Audit Committee, reviewed, ensured and confirmed the adequacy of resources, staff qualifications and experience, training programs received by the staff and budget of the Group's accounting, internal audit and financial reporting function at the Board meeting. In light of the Group's nature of business and the recommendations on the Board's role in risk management, the Group has developed risk management system and policies, and established a risk management project team, which is responsible for the Group's risk management, to communicate and assess the Group's risk profile and material risks, and track the progress of mitigation plans and activities of material risks and report on detailed examinations of specific risks as required.

風險管理及內部控制

董事會全權負責評估及釐定本集團為達成戰略目標所願承擔的風險性質及程度，並確保本集團設立及維持合適及有效的風險管理及內部控制系統。董事會亦有責任監督管理層對風險管理及內部控制系統的設計、實施及監察，而管理層有責任向董事會提供有關系統是否有效的確認。為達到這個目的，管理層參照COSO (Committee of Sponsoring Organizations of the Treadway Commission)標準，持續分配資源予風險管理及內部控制系統，合理(但並非絕對)地保證不會出現嚴重的誤報或損失，並管理(但並非完全消除)本集團運營系統失誤及未能達到業務目標的風險。

董事會已透過審核委員會就本集團的風險管理及內部控制系統是否充分、有效及足夠進行持續監督及年度檢討，且董事會認為現有的風險管理及內部控制系統足夠而有效。有關檢討涵蓋於報告期內所有重要的控制方面，包括財務控制、運作控制及合規控制。本集團向審核委員會提交審閱的內部審計報告中亦涵蓋風險管理及內部控制部分。董事會並未察覺任何可能影響股東而須予關注的重要事項，並相信本集團的內部控制完全符合守則中各項有關內部控制的守則條文，包括符合法律和規例上的要求。董事會藉著審核委員會所作之評估，已於董事會會議上檢討、確保及確認本集團在會計、內部審計及財務彙報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是否足夠。基於本集團的業務性質及董事會在風險管理上扮演的角色所提出的建議，本集團制訂了風險管理制度和政策，並已建立風險管理項目組，專責本集團的風險管理事務，就本集團的風險狀況和重大風險進行溝通及評估，跟蹤推行重大風險紓緩計劃及措施的進度，並按需要彙報特定風險的詳細檢查結果。

RISK MANAGEMENT ORGANISATION SYSTEM (Continued)

(A) RISK MANAGEMENT STRUCTURE

Regulatory Organisation

The Board is responsible for the effectiveness of the overall risk management

- determine the overall objective, risk appetites and risk tolerance for corporate risk management, and approve risk management strategies, major risk mitigation solutions and risk management measures;
- comprehend and manage each major risk faced by the enterprise and its existing management situations, and make effective risks management decisions; approve the decision-making standards and mechanisms regarding major operating decisions, major risks, major events and major business processes;
- approve risk management report related to major decisions; and
- approve the annual comprehensive risk management report.

Risk Management Organisation

The Audit Committee, the highest risk management organisation in the Company which is accountable to the Board

- review the establishment and planning of the comprehensive risk management system;
- review the proposal on the structure of the risk management organisations and their responsibilities;
- review the annual comprehensive risk management report and submit to the Board;
- review risk management strategies, major risk management solutions and risk management measures; and
- review the annual risk management work plan.

風險管理組織體系(續)

(A) 風險管理架構

監督機構

董事會就全面風險管理工作的有效性負責

- 確定企業風險管理總體目標、風險偏好、風險容忍度，批准風險管理策略和重大風險紓緩方案以及風險管理措施；
- 瞭解和掌握企業面臨的各項重大風險及其風險管理現狀，做出有效控制風險的決策；批准重大經營決策、重大風險、重大事件和重要業務流程的判斷標準或判斷機制；
- 批准重大決策事項的風險管理報告；及
- 批准年度全面風險管理報告。

風險管理機構

審核委員會，為本公司最高層級的風險管理機構，對董事會負責

- 審議全面風險管理體系的建設規劃；
- 審議風險管理組織機構設置及其職責方案；
- 審議並向董事會提交年度全面風險管理報告；
- 審議風險管理策略和重大風險管理解決方案以及風險管理措施；及
- 審議年度風險管理工作計劃。

RISK MANAGEMENT ORGANISATION SYSTEM (Continued)

(A) RISK MANAGEMENT STRUCTURE (Continued)

Leading Risk Management Organisation

Risk management project team, the leading risk management organisation

- responsible for the establishment and amendment of the Company's risk management policies and mechanisms;
- formulate and submit annual risk management work plan to the Board and the Audit Committee for their review;
- regularly collect first-hand information regarding risk management, carry out risk assessment and discuss major risks as faced by the Company; and
- assess the soundness, reasonability and the effectiveness in implementing the risk management system, and review the annual comprehensive risk management report, risk management strategies and day-to-day risk management solutions.

Risk Implementation Organisation

Each functional department of the Company shall accept the coordination and monitoring carried out by the risk management project team

- implement the basic process in risk management;
- consider and propose decision-making standards or mechanisms regarding major operating decisions, major risks, major events and major business processes of the functional department;
- analyse and propose risk assessment report of the functional department;
- properly carry out risk management work of the functional department; and
- establish a comprehensive risk management process of the functional department.

風險管理組織體系(續)

(A) 風險管理架構(續)

風險管理主導機構

風險管理項目組，風險管理主導機構

- 負責建立和修訂本公司風險管理政策及機制；
- 擬定年度風險管理工作計劃，提交董事會及審核委員會審議；
- 定期收集風險管理第一手資訊，進行風險評估及討論本公司面臨的重大風險；及
- 評估風險管理系統的健全性、合理性和執行的有效性，審議年度全面風險管理報告、風險管理方案和日常風險管理解決方案。

風險執行機構

本公司各個職能部門應接受風險管理項目組的協調及監督

- 執行風險管理基本流程；
- 研究提出本職能部門重大經營決策、重大風險、重大事件和重要業務流程的判斷標準或判斷機制；
- 研究提出本職能部門的風險評估報告；
- 做好職能部門的風險管理工作；及
- 建立職能部門的健全風險管理流程。

RISK MANAGEMENT ORGANISATION SYSTEM (Continued)

(A) RISK MANAGEMENT STRUCTURE (Continued)

Risk Supporting Organisation

Internal control team

- assist the Group's risk management work, and formulate internal control plan in accordance with the result of risk assessment;
- centrally organise or, or, f o r m r

internal control plan in accordance wit4180 Td <000(find EMs <</D 26ii EMC /Eaudit628port)]TJ ET EMC /Span <</Lan

風險管理組織體系(續)

(A) 風險管理架構(續)

風險支持機構

內控組

- 協助本集團開展風險管理工作，根據風險評估結果擬定內控工作計劃；
- a 統一組織或會同有關職能部門根據風險管理解決方案設計、修改或完善內控文檔；
- 協助風險管理項目組對各職能部門和業務單位風險管理工作實施情況進行檢查、檢驗、評價和改進；及
- 根據內部審計報告發現，協助各職能部門對存在的缺陷及時糾正和改進。

內審部

- 協助本集團開展風險管理工作，根據風險評估結果擬定內審工作計劃；
- 進行穿行測試、分析性覆核等方法評估風險管理的有效性；及
- 實施內部審計後，將審計結果及時傳遞至內控組和風險管理項目組。

風險管理組織體系(續)

(B) 風險管理程式

本集團已建立一套完善的風險管理程式，該程式由風險管理項目組牽頭，內審部和內控組協助執行。風險管理程式如下：

(a) 風險管理第一手資訊收集；

(b) 風險分析和評估；

(c) 提出風險應對策略，並形成風險管理解決方案；及

(d) 對各業務單位風險管理工作實施情況進行

SUPERVISION AND ENHANCEMENT OF RISK MANAGEMENT

The Group has set up basic procedures that cover the whole process of risk management, connecting the channels of communication of risk management information along the reporting lines and among various departments and business units to ensure the timely, accurate and complete communication of information and this has laid the foundation for the supervision and enhancement of risk management.

The senior management of the Group, focusing on material risks, material matters and material decisions, important management matters and the business flow, supervises the work relating to the first-hand information collection for risk management, risk assessment, risk management strategies, critical control activities and the implementation of risk management solutions. The risk management project team carries out an annual review and examination on the implementation of the works on risk management by different departments and business units and its effectiveness for the year, assesses risk management strategies and evaluates inter-departmental risk management solutions and business units' risk management solutions, proposes suggestions for adjustments and improvements and issues evaluation and recommendation reports which will be sent to the relevant senior management in a timely manner.

風險管理的監督與改進

本集團已建立貫穿於整個風險管理基本流程，連接各上下級、各部門和業務單位的風險管理資訊溝通管道，確保資訊溝通的及時、準確和完整，為風險管理監督與改進奠定基礎。

本集團的高級管理層以重大風險、重大事件和重大決策、重要管理及業務流程為重點，對風險管理第一手資訊收集、風險評估、風險管理策略、關鍵控制活動及風險管理解決方案的實施情況進行監督。風險管理項目組每年組織對各部門和業務單位風險管理工作實施情況和有效性進行一次年度檢查和檢驗，對風險管理策略進行評估，對跨部門和業務單位的風險管理解決方案進行評價，提出調整或改進建議，出具評價和建議報告，及時報送相關高級管理層。

MATERIAL RISKS THE GROUP MAY FACE

The material risks that the Group may face which include macro-economic risks, risks of inappropriate strategies for market competition, risks of the fluctuation of raw materials price, risks of adjustments of policies in relation to the environmental protection, economy and industry, cybersecurity risks, risks of the coronavirus disease ("COVID-19"), and climate change risks.

The potential risks of macro-economic risks arise from the effects of macro-economy's volatility and the pressure of inflation. The Group's corresponding measures on risk management include reviewing the management strategies and mechanism for macro-economic risks; reviewing the relevant mechanism on the collection of intelligence about the changes in the external macro-economic environment; clearly defining the macro-economic risk analysis session; analysing, reviewing, adjusting and improving the strategies for managing macro-economic risks in future.

本集團可能面臨的重大風險

本集團可能面臨的重大風險包括宏觀經濟風險、市場競爭策略不當風險、原材料價格波動風險、環保政策、經濟政策與行業政策調整風險、網路安全風險、2019冠狀病毒病（「COVID-19」）風險以及氣候變化風險。

宏觀經濟風險的潛在風險產生自宏觀經濟波動的影響及通貨膨脹的壓力。本集團風險應對措施包括檢討宏觀經濟風險的管理策略和管理機制；檢討收集外部宏觀經濟環境變化資訊相關機制；明確定義宏觀經濟風險分析環節；分析、檢討、調整和改善未來的宏觀經濟風險應對策略。

MATERIAL RISKS THE GROUP MAY FACE (Continued)

The potential risks of cybersecurity risks arise from two aspects: on the one hand, the vulnerability of networks to different kinds of cyber attacks because of its own security defects; on the other hand, external and internal risks of the Group. External risks mainly represent intentional or unintentional damage and threats from outsiders, such as malicious attacks by "hackers", illegal interception of network data and transmission of computer viruses. Internal risks mainly include misuse or abuse of critical and sensitive information, theft, intentional or unintentional disclosure of confidential information by employees. The Group's corresponding measures on risk management include establishing online permissions; developing and using software for communication within the Group; establishing two sites and three centers and implementing dual-active and duplication of intra-city and inter-city data centre; and strengthening development in four areas: environment, data, terminals and cybersecurity.

The potential risks of COVID-19 arise from the impact of macroeconomic fluctuations and the uncertainties in resumption of work and production of upstream and downstream enterprises. Due to the outbreak of the COVID-19, various industries suspended work and production and many enterprises are facing the risk of interruption of capital flow and suffering hardship. It has also brought a negative impact on foreign trade, thus dragging down the economy of the PRC. The Group's corresponding measures include providing guidelines for epidemic prevention and control and resumption of work, strengthening employees' awareness of prevention and control, and enabling resumption of work and production in an active and orderly manner; continually promoting full automation of production bases; paying close attention to the needs of various areas in epidemic prevention, and assuming corporate social responsibility, supporting the construction of epidemic prevention hospitals in all provinces and regions across the country and making in-kind donations.

Climate change risks are a kind of compound risk in the global risk society. This risk can be classified into economic risk, political risk, social risk, and ecological risk, etc. The Group's corresponding measures on risk management include improving environmental management, practicing green operations, improving the efficiency of use of energy resources, exercising strict management on waste discharge in the production and operation process, actively transmitting the concept of green development to the public, and building a green operation roadmap to the harmonious coexistence of enterprises and the environment.

本集團可能面臨的重大風險(續)

網路安全風險的潛在風險產生自兩方面：一方面由於網路自身存在的安全缺陷導致受到各種各樣的攻擊；另一方面的風險既有來自於本集團外部及內部的。外部風險主要是受到外來人為的有意或無意的損害與威脅，如「駭客」的惡意攻擊、網路資料的非法截取及電腦病毒的傳播等。來自企業內部的威脅主要包括誤用或濫用關鍵、敏感性資料，員工竊取、有意或無意洩露機密資料等。本集團風險應對措施包括設置相關網上許可權；研發並使用本集團內部溝通軟體；建立兩地三中心，實現同城和異地資料中心雙活與複製。同時加強在環境、資料、終端和網路安全四方面的建設。

COVID-19疫情的潛在風險產生自宏觀經濟波動的影響及上下游企業復工複產的不確定性影響。COVID-19肆虐期間，導致各行各業停工停產，許多企業面臨著資金流斷裂的風險，陷入困境，也給中國的對外貿易帶來負面影響，從而拖累中國經濟。本集團應對措施包括部署疫情防控工作與復工指引，加強員工的防控意識，積極有序推進復工複產；持續推動生產基地全面自動化；密切關注各區抗疫需求，擔起企業社會責任，馳援全國各省各區防疫醫院建設和物資捐贈。

氣候變化風險是全球風險社會背景下的一種複合風險，可分為經濟風險、政治風險、社會風險、生態風險等。本集團風險應對措施包括完善環境管理，踐行綠色運營，提升提升能源資源使用效益，嚴格管理生產經營過程中的廢物排放，積極將綠色發展理念傳遞給公眾，構建企業與環境和諧共生的綠色運營之路。

MANAGEMENT OF INSIDE INFORMATION

The Group has formulated a set of program of continuing obligations on information management and disclosure to formally regulate the monitoring of inside information that arises during the course of its current business development and has established the practice of delivering such information to shareholders, the media and analysts. When the Group handles the relevant matters, it will comply with "Guidelines on Disclosure of Inside Information" issued by the Securities and Futures Commission and the related provisions issued by regulatory organisations and the Group has clearly stated that the unauthorised use of confidential or inside information is prohibited. The Group has a system of answering enquiries about the Group's matters by external parties, and has appointed and authorised the senior executives of the Group to act as the Company's spokesperson in response to enquiries on a particular area.

內幕消息管理

本集團制訂了一套持續消息管理和披露責任程式，正式規範現行在業務發展時出現內幕消息的監察，及將有關資料向股東、傳媒及分析員傳達的實務。本集團於處理有關事務時恪守證券及期貨事務監察委員會頒佈的「內幕消息披露指引」，及監管機構頒佈的相關條文，且本集團明確訂明嚴禁未經授權使用機密或內幕資料。本集團就外界對本集團事務作出的查詢設立回應程式，並指定及授權本集團內高級行政人員擔任本公司發言人，回應特定範疇的查詢。

WHISTLEBLOWING POLICY

The Group is committed to an open and transparent culture and has formulated a "whistleblowing policy" whereby employees can report any matters to the anti-fraud control unit in confidence by sending anonymous electronic mails or letters to the designated address. According to the type of each reported case, the case will be submitted to the relevant departments for investigation and reported to the Audit Committee to ensure fair treatment towards relevant matters. Such matters include misconduct, irregular conduct or fraud regarding financial matters and accounting practices. This policy encourages employees to raise concerns without fear of being accused. Any Shareholder or stakeholder can also report similar concerns in writing or verbally in confidence to the anti-fraud control unit.

舉報政策

本集團致力營造開放透明的文化並制訂「舉報政策」，據此，僱員可發送不記名電子郵件或信件至指定地址秘密向反舞弊管理小組提交舉報。按舉報案件類型交由相關部門調查，並向審核委員會匯報，確保公正處理有關事宜。該等事項包括財務事宜及會計實務方面之行為失當、不正當行為或欺詐。此政策鼓勵僱員提出疑慮而無需擔心被指責。任何股東或權益持有人亦可秘密以書面或口頭方式向反舞弊管理小組舉報類似事宜。

DIVIDENDS POLICY

The declaration, payment and amount of dividends will be subject to the Company's discretion. Dividends may be paid only out of its distributable reserves as permitted under the relevant laws. The Company has adopted a general dividend policy of declaring and paying dividends on a semi-annual basis of around 30% of its profit attributable to the owners of the Company. The Board would review the Company's dividend policy from time to time considering factors including but not limited to debt covenants, capital investment and business plan.

股息政策

股息之宣派、派付及款額將由本公司酌情決定。股息僅可自有關法例許可下，其可供分派儲備派付。本公司已採納一般股息政策，以半年基準宣派及派付本公司擁有人應佔溢利約30%之股息。董事會將不時審閱本公司的股息政策，當中考慮的因素包括但不限於債務契諾、資本投資及業務計劃。

CONSTITUTIONAL DOCUMENTS

During the year ended 31 December 2021, there was no change to the memorandum of association of the Company and Articles. The latest memorandum of association of the Company and Articles are available on the websites of the Company and the Stock Exchange.

THE SHAREHOLDERS' RIGHTS

CONVENING OF EXTRAORDINARY GENERAL MEETINGS AND PUTTING FORWARD PROPOSALS AT SHAREHOLDERS' MEETING

There are no provisions allowing Shareholders to propose new resolutions at the general meetings under the Cayman Islands Companies Act (as revised). However, pursuant to the Articles, the Shareholder(s) may request for the convening of extraordinary general meetings following the procedures below:

- Any two or more Shareholder(s) or any one Shareholder which is a recognised clearing house (or its nominee(s)) may request for the convening of extraordinary general meetings by written requisition deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office. The requisition shall specify the object of the meeting and be signed by the requisitionist(s), and such requisitionist(s) must hold as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at the general meeting of the Company.

- The Board shall proceed to convene the extraordinary general meeting within 21 days from the date of deposit of the requisition.

組織章程文件

於截至2021年12月31日止年度，本公司組織章程大綱及章程細則概無任何變動。本公司最新組織章程大綱及章程細則可於本公司及聯交所網站查閱。

股東之權利

召開股東特別大會及於股東大會上提出議案

根據開曼群島公司法(經修訂)條文，股東不得在股東大會上提呈新決議案。然而，根據章程細則，股東可通過下列程序請求召開股東特別大會：

- 任何兩名或以上的股東，或任何一名身為認可結算所(或其代名人)的股東可提交書面請求書要求召開股東特別大會，請求書須遞交至本公司的香港主要辦事處，或倘本公司不再設立該主要辦事處，則遞交至註冊辦事處。請求書須註明會議目的，並由請求人簽署，而該一名或多名請求人於遞交請求書當日，須持有有權於本公司股東大會上投票之本公司足繳股本不少於十分之一。

- 請求書遞交日期起21天內，董事會應召開股東特別大會。

THE SHAREHOLDERS' RIGHTS (Continued)

CONVENING OF EXTRAORDINARY GENERAL MEETINGS AND PUTTING FORWARD PROPOSALS AT SHAREHOLDERS' MEETING (Continued)

- If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the extraordinary general meeting in the same manner, as nearly as possible, as that in which the meeting may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition. All reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall bidedBDC 3.013 0 Td <004500t any

股東之權利(續)

召開股東特別大會及於股東大會上提出議案(續)

- 倘董事會於遞交請求書日期起21天內並無正式召開須於隨後21天內召開之會議，則該一名或多名請求人或當中任何代表其總投票權半數以上之人士可自行召開股東特別大會，會議須以最接近董事會召開該會議的相同方式舉行，惟因此而召開之任何會議不得於遞交請求書日期起計三個月屆滿後舉行。請求人因董事會未能召開會議而招致的所有合理開支將由本公司償付。

- 為通過特別決議案而召開之股東特別大會應發出不少於21天之書面通知，而召開任何其他股東特別大會應發出不少於14天之書面通知。會議通知須註明開會的時間、地點、議程和在會上審議的決議案的詳情，如將討論特別事項，則須註明該等事項的一般性質。

- 股東提名候選董事的程序詳情已於本公司網站刊載。

向董事會轉達股東查詢的程序

股東可向本公司的香港主要營業地點或透過電子郵件或透過本公司的投資者關係向董事會發出有關本公司的查詢，聯絡詳情載於本報告「公司資料」章節內。此外，股東如有任何有關其股份及股息之查詢，可以聯絡本公司的股份過戶登記分處 — 香港中央證券登記有限公司。

RELATIONSHIP WITH INVESTORS AND THE SHAREHOLDERS

The Company endeavours to maintain a high level of transparency in communication with the Shareholders and investors in general. Communication between the Company and the Shareholders is conducted through various channels, including interim and annual reports, information published on the websites of the Stock Exchange and the Company and general meetings. The Company encourages the Shareholders to attend the Company's general meetings. The Group's financial and other information is also published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.lesso.com).

The Company's senior management endeavours to maintain an open dialogue channel with the investment sector to ensure they have a thorough understanding of the Company and its operations and strategies. The Company has emphasised the importance of the function of investor relations, engaged a dedicated independent third party to maintain investor relations and conduct investor/analyst meetings from time to time and led investors and analysts to visit its plants.

As regards to investor relations, the Group will actively conduct activities related to investor relations in the future to strengthen its corporate responsibility so that global investors can have an adequate knowledge and understanding of the Company's operating strategy, financial performance and development prospects. The Company will actively develop and maintain close relationship with investors, analysts and media to achieve sound investor relations management.

The Company applies the principle of a quiet period in its investor relations communications. During a quiet period, the Company does not comment on market prospects or factors affecting business and performance, or engage in discussion on events or trends related to the reporting period. The Company will not initiate any meeting or conference call with public in which these matters are discussed. A quiet period starts at 60 days or 30 days prior to the disclosure of annual results or interim results respectively, and lasts until the announcement of the annual results or the interim results.

與投資者及股東的關係

本公司與股東及一般投資者溝通時致力維持高水平的透明度。本公司與股東溝通通過各種渠道展開，包括中期及年度報告、載於聯交所及本公司網站的資料，以及股東大會。本公司鼓勵股東出席本公司股東大會。有關本集團的財務及其他資料亦於聯交所網站(www.hkexnews.hk)及本公司網站(www.lesso.com)內刊載。

本公司高級管理層竭力與投資界保持公開的對話渠道，以確保他們對本公司及其業務與戰略有透徹的瞭解。本公司一直強調投資者關係的重要性，聘請專門的獨立第三方維護投資者關係，並且不定時舉行投資者／分析師見面會，帶領投資者和分析師參觀廠房。

未來在投資者關係上，本集團將積極舉辦投資者關係的相關活動，強化企業責任，務求使全球投資者對本公司的經營戰略、財務表現及發展前景具備充分的認識及瞭解。本公司將積極發展及維護與投資者、分析師及媒體之間的緊密關係，做好投資者關係管理。

本公司於其投資者關係溝通上採取緘默期原則。緘默期期間，本公司不會就市場前景或影響業務及表現的因素發表意見，亦不會就與報告期相關的事項或趨勢進行討論。本公司將不會與公眾開展任何討論該等事宜的大會或電話會議。緘默期分別於年度業績或中期業績披露前60天或30天開始，至年度業績或中期業績公告為止。

MARKET OVERVIEW

In 2021, the Covid-19 pandemic persisted. Although large-scale vaccination plans have helped to contain the outbreak, frequent mutations of the virus continued to affect the global economy, society, and livelihood. Nevertheless, China still led the rest of the world in economic development and the prevention and control of the pandemic, meeting the targets in major indicators, despite complicated domestic and international conditions amid the recurrent pandemic outbreaks. In 2021, the gross domestic product in China grew by 8.1% year on year. Although the overall economy continued to recover steadily, the growth slowed down quarter on quarter under the mounting downward pressure. In fact, the Chinese economy experienced two contrary situations during 2021 — progress towards recovery in the export-oriented economy in the first half of the year and the severe challenges posed by the soaring global commodity prices, disruption to the global supply chain, insufficient domestic power supply, recurrent outbreaks of the Covid-19 pandemic in many different places of the country, and the debt crisis of the domestic property sector in the second half of the year.

In 2021, the Chinese government started "14th Five-year Plan" by focusing on the development of the "New Infrastructure, New Urbanisation Initiatives and Major Projects". For instance, it vigorously fostered the development of the digital economy by extending the scope of application of the 5G telecommunications technology, pressed on with urban renewal by redeveloping old urban communities, and forged ahead with major transportation and water conservancy projects such as railway and gorge dam projects. Such government initiatives added new impetus to social and economic development, and are also expected to drive the consistent, steady growth in the infrastructure construction and pipeline industries.

市場概況

2021年，新冠肺炎疫情仍未平息，大規模疫苗接種雖然有助阻擊疫情，但病毒頻繁變異，繼續影響全球經濟及社會民生。縱然面對國內外複雜的形勢及疫情的起伏反覆，中國經濟發展和疫情防控仍保持全球領先地位，主要指標實現預期目標。2021年國內生產總值(GDP)同比增長8.1%，整體經濟雖然持續穩定恢復，但按季增長放緩，下行壓力不斷加大。事實上，2021年中國經濟經歷了不外囊情的起

市場概況(續)

此前，中共中央經濟工作會議(「會議」)明確提出，2022年經濟工作要「穩字當頭、穩中求進」，因此市場對2022年年初基建穩增長的預期持續升溫。市場普遍預計，2022年基建項目落地速度將較2021年明顯加快，其中，「新基建」將成為新的一年重要增長點。再者，會議亦提出於「十四五」期間，必須把管道改造和建設作為重要的一項基礎設施工程。隨後，國家更密集出台了多項地下管網、水利工程建設相關政策。市場預測「十四五」期間，管道投資規模或超人民幣1.4萬億元，其中，城市管網改造更新有望帶動水電燃熱等市政領域管道的需求釋放，拉動供水管網改造市場達人民幣191億元，燃氣管道改造(含施工)市場達人民幣606億元，相信也為管道行業帶來龐大的穩定需求。[illegible]量，這[illegible]

此外，為應對氣候變化，國家訂立「3060」碳達峰及碳中和戰略目標，力爭2030年前實現碳達峰，[illegible]「十四五」規劃的五大重要指標之一，環保及光伏行業發展[illegible]

2020年下半年以來，中國政府出台一系列調控政策，例如資產負債表三道紅線、商業銀行貸款集中度管理、城市土地集中招拍掛等。這些新政的實施使得房地產開發企[illegible]

[illegible]

[illegible]

MARKET OVERVIEW (Continued)

In addition, the Ministry of Housing and Urban-Rural Development issued the "14th Five-Year Plan for the Development of the Construction Industry" in early 2022, which requires that by 2025, prefabricated buildings shall account for more than 30% of new buildings. With the expansion of the industry, the cost of prefabricated buildings may gradually decrease with economies of scale. There will be great development opportunities for the green and prefabricated construction industry, and there will be an increasing demand for prefabricated construction products and construction equipment in the market, bringing growth potential for the building materials and home improvement industry.

市場概況(續)

再者，住房和城鄉建設部於2022年初印發《「十四五」建築業發展規劃》，明確要求到2025年，裝配式建築佔新建建築的比例達到30%以上。隨著行業規模擴容，在規模效益下，裝配式成本或將逐步降低，綠色及裝配式建築行業將迎來重大發展機遇，市場上對裝配式建築產品及建築設備需求將日益增加，為建材家居行業帶來增長潛力。

BUSINESS OVERVIEW

In 2021, the start of the "14th Five-Year Plan" coincided with the 35th anniversary of China Lesso. To take on challenges and grasp opportunities arising from the new prospect under the changing market conditions, the Group upholds the philosophy of "deepening industrial development, seizing opportunities with prudence, creating internal and external favourable conditions, and making steady progress". Therefore, it continues to make great progress in industrial upgrade, digital upgrade, and brand upgrade. This not only enhances its advantages in the rapid development, but also bolsters its position as an industry leader. Over the past year, China Lesso has earned recognitions in the industry and community by receiving various annual honours and awards, including: "Best Green Syndicated Loan" Award in "The Asset Triple A Sustainable Capital Markets Awards 2021" from The Asset, a leading international finance journal, as well as the 32nd spot among the list of "2021 Hurun China's Top 100 Sustainable Private Enterprises" for the first time. The accolades testify to China Lesso's long-term fulfilment of social responsibility and its comprehensive contribution to green operation and sustainable development. For the year of 2021, the Group was on the list of "China's Top 500 Brand Value" for the eight consecutive years. Meanwhile, the Group won various honours, including the "2021 Listed Company with the Highest Investment Value in the New Economy of the PRC", "2021 Preferred Brands of Pipe and Fitting Suppliers for Top 500 China Real Estate Developers by Comprehensive Strength", "2021 Top Ten Listed Companies of Supporting Supply Chain for China Real Estate by Comprehensive Strength", "2021 Brand Value Communication Award", "2021 Top 10 Home Furnishing Brands Trusted by Consumers", and "2021 Outstanding Home Furnishing Brand Enterprise". All the awards prove China Lesso's brand value and its strong capabilities of digital and intelligent manufacturing, scientific research, and innovation.

業務概況

2021年是國家十四五規劃的開局之年，適逢是中國聯塑創立發展三十五周年。在變局中開展新局，機遇與挑戰並存，本集團秉持「深化產業、審時度勢、內外創優、穩健前行」的理念，一路前行，產業升級、數字化升級、品牌升級取得飛躍發展，不單穩固自身發展的快車道優勢，也強化其行業引領者地位。於過去一年，中國聯塑取得行業及社會各界的肯定，獲得多項年度榮譽和獎項，包括：榮獲國際知名財經期刊The Asset《財資雜誌》頒發「The Asset Triple A Sustainable Capital Markets Awards 2021」的「最佳綠色銀團貸款」大獎及位列首次公佈的「2021胡潤中國民營企業可持續發展百強榜」第32位，足證對中國聯塑長期以來從多方面善盡社會責任、推動綠色經營及可持續發展的綜合貢獻之肯定和認可。本集團同時連續八年上榜「2021中國品牌價值500強」、並榮膺「2021中國新經濟最具投資價值上市公司」、「2021中國房地產開發企業綜合實力TOP500管材管件類首選供應商品牌」、「2021中國房地產配套供應鏈上市公司綜合實力十強」、「2021年度品牌價值傳播獎」、「2021消費者信賴十大家居品牌」、「2021年卓越家居品牌企業」等，充份見證其品牌價值、強大的數位化智能智造實力以及科研創新力。

BUSINESS OVERVIEW (Continued)

In pursuing high-quality development, China Lesso has been extending the scope of its businesses along the value chain of the industry from the plastic piping systems to building materials and home improvement. Now it has covered many businesses such as piping systems, building materials and home improvement, environmental protection, agricultural application and supply chain service platforms. To give the increasingly enriched connotation of China Lesso's brand full play in line with its increasingly optimised business mix, the Group started the strategic upgrade for its brand at the end of 2021 by revamping its brand positioning and image, and put forward a new slogan "Envisioning the Better, Building the Future". These efforts indicated the core idea of the Group's upgrade, which not only focuses on the brand itself, but also closely connects to social development. By adhering to the brand values of "Focusing on Product Quality, Persisting Insisting in Creativity, and Creating High-Value Products and Services for Society", the Group fulfils its brand's commitment to "Sustaining a Healthy, Scenic Living Space". China Lesso has set a clear goal of becoming a global business group engaged in the businesses of piping and building materials in the future. It will transform itself into a platform for the ecosystem of the businesses of producing building materials and home improvement for the construction of facilities for cultural environment and living space. Such move will enable the Group to provide green products and services sustainably for the construction of green buildings that ensure health and serve as facilities for the cultural environment.

China Lesso's mission is to "Improve and Enhance the Living Quality". Therefore, it proactively fulfils its responsibility as a corporate citizen, continues to strengthen corporate governance and social responsibility management, makes innovative management a new engine for business development, and enhances the control of production process to reinforce its business foundation. All of these efforts will contribute to sustainable urban development.

Considering that environmental protection becomes a major issue facing the society in the midst of the rapid economic and social development, the Group has formulated a number of comprehensive environmental management systems, conducted the environmental management of the whole business process that encompasses research, development and production, and takes great effort to carry out environmental monitoring. The Group continues to improve environmental management, responds actively to climate change, builds green factories and creates green products, and improves the efficiency of resource utilisation. To build a green and natural ecosystem, the Group takes advantage of its professional strengths to develop the environmental protection industry and advocate the concept of environmental protection.

業務概況(續)

在追求高質量發展的道路上，中國聯塑的產業生態鏈從塑料管道向建材家居不斷延伸，如今已涵蓋了管道系統、建材家居、環保、農業應用、供應鏈服務平台等多項業務。隨著業務佈局的逐步完善，為了更全面地詮釋中國聯塑日益豐富的品牌內涵，本集團於2021年年底開展了品牌戰略升級，對品牌定位、形象等進行整體煥新，提出了「美好洞見未來」的全新品牌口號，表明了本集團此次升級的核心思想，不止是著眼於品牌自身，更與社會發展緊密相連。本集團秉持「專注產品品質，堅持創造力，為社會創造高價值的產品與服務」的品牌價值觀去履行「為健康美好空間永續」的品牌承諾，明確於未來中國聯塑將致力成為環球管道建材產業集團，將自身發展成建設人文環境與生活空間的建材家居生態產量平台，可持續提供綠色產品及服務，助力人文健康的綠色建築。

中國聯塑以「致力於改善和提高人類的生活品質」為企業使命，積極履行企業公民責任，持續加強企業管治和責任管理，以創新管理驅動發展新引擎，以加強生產流程管控穩固經營基礎，為城市可持續發展貢獻力量。

隨著經濟社會的快速發展，綠色環保成為人類社會共同面臨的重大課題。本集團制定多項全方位環境管理制度建設、全流程研發生產環境管理及全力推動落實環保監測，不斷完善環境管理，同時積極應對氣候變化，創建綠色工廠和綠色產品，提升資源使用效率，利用專業優勢發展環保產業和傳遞環保理念，共建綠色自然生態。

BUSINESS OVERVIEW (Continued)

In the future, China Lesso will continue to actively fulfil its social responsibility. The Group will leverage both its scientific research team and advantages in manufacturing to innovate its product technology with the aim of championing the green and sustainable urban development and sustaining a healthy and scenic environment.

業務概況(續)

未來，中國聯塑將繼續積極承擔社會責任，依託科研團隊及生產製造優勢，通過產品技術創新賦能城市綠色可持續發展，為健康美好空間永續。

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收入按地區劃分 #

		Revenue 收入			% of total revenue 佔總收入%	
		2021 RMB million 人民幣百萬元	2020 RMB million 人民幣百萬元	C [illegible] 變動	2021	2020
Southern China	華南	**17,036**	15,215	*12.0%*	**53.1%**	54.2%
Southwestern China	西南	**2,968**	2,860	*3.8%*	**9.3%**	10.2%
Central China	華中	**3,380**	3,009	*12.3%*	**10.5%**	10.7%
Eastern China	華東	**2,338**	1,885	*24.0%*	**7.3%**	6.7%
Northern China	華北	**2,667**	2,133	*25.0%*	**8.3%**	7.6%
Northwestern China	西北	**1,635**	1,425	*14.7%*	**5.1%**	5.1%
Northeastern China	東北	**912**	757	*20.5%*	**2.9%**	2.7%
Outside China	中國境外	**1,122**	789	*42.3%*	**3.5%**	2.8%
Total	總計	**32,058**	28,073	*14.2%*	**100.0%**	100.0%

Details of the scope of coverage of each region are set out in note 4 to consolidated financial statements.

各地區的覆蓋範圍詳情載於綜合財務報表附註4。

For the year ended 31 December 2021, the number of the Group's independent and exclusive first-tier distributors across the country increased to 2,603 (2020: 2,397). Southern China remained the Group's major revenue-contributing market, whose revenue accounted for 53.1% of the Group's total revenue (2020: 54.2%), while the revenue from other regions accounted for 46.9% (2020: 45.8%).

截至2021年12月31日止年度，本集團於全國各地的獨立獨家一級經銷商數目增至2,603名(2020年：2,397名)。本集團的主要市場繼續為華南市場，來自華南市場佔本集團總收入為53.1%(2020年：54.2%)，其他地區的收入佔比為46.9%(2020年：45.8%)。

BUSINESS OVERVIEW (Continued)

業務概況(續)

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收入按業務劃分

		Revenue 收入			% of total revenue 佔總收入%	
		2021 RMB million 人民幣百萬元	2020 RMB million 人民幣百萬元	C 變動	2021	2020
Plastic piping systems	塑料管道系統	**27,457**	24,512	12.0%	**85.6%**	87.3%
Building materials and home improvement	建材家居	**2,751**	1,997	37.8%	**8.6%**	7.1%
Others#	其他#	**1,850**	1,564	18.3%	**5.8%**	5.6%
Total	總計	**32,058**	28,073	14.2%	**100.0%**	100.0%

"Others" include businesses of environmental engineering and other related services, financial services and others.

「其他」包括環境工程及其他相關服務、金融服務及其他業務等。

To capitalise on a continued recovery in China's economy in 2021, China Lesso adhered to its initial aspiration to create a relaxing life for dwellers, seized opportunities with prudence and actively responded to the national policies, such as supply-side reform and dual circulation economic model in which the country focuses on the domestic market and, at the same time, remains open to international trade and investment. The Group adopted a prudent development strategy by steadily developing its core business of plastic piping systems and, at the same time, by actively expanding its other various businesses, including the businesses of building materials and home improvement, environmental protection, agricultural application and supply chain services platform. This can enable the Group to achieve robust development and synergistic growth in its various business segments.

2021年，中國經濟持續復甦，中國聯塑堅守其為居者構築輕鬆生活的理念初心，審時度勢，積極響應國家供給側改革方向及國內外雙循環發展格局，通過積極推進穩健的發展策略，一方面穩步推動核心塑料管道系統業務的發展，另一方面積極拓展不同業務，包括建材家居、環保、農業應用以及供應鏈服務平台業務，令本集團業務百花齊放，實現集團業務板塊相互賦能協同增長。

The Group achieved growth in overall revenue despite a number of unfavourable happenings such as the recurring Covid-19 pandemic at home and abroad and the multiple outbreaks of the pandemic in the second half of the year, the state's tightening regulation of the real estate industry, the collapse of some real estate enterprises in the fourth quarter, the debt crisis in the property sector, the environmental policy on attaining carbon emission peak and carbon neutrality, limitations on use of electricity and production, and rising prices of energy and raw materials. The Group's revenue increased by 14.2% to RMB32,058 million (2020: RMB28,073 million). Gross profit increased by 0.8% to RMB8,448 million (2020: RMB8,384 million) and gross profit margin was 26.4% (2020: 29.9%) mainly due to the Group was not able to fully adjust the product selling prices at the same rate of the dramatically increase in raw material costs and fluctuations in production costs in the second half of 2021.

儘管國內外新冠肺炎疫情反覆，下半年更再度多點爆發，國家也對房地產行業加強調控、第四季度部分房地產企業爆雷，行業出現債務危機、加上雙碳政策和限電限產、能源和原材料價格上漲等不利因素的影響下，本集團整體收入仍實現增長。本集團收入按年增加14.2%至人民幣320.58億元(2020年：人民幣280.73億元)。毛利按年增加0.8%至人民幣84.48億元(2020年：人民幣83.84億元)，毛利率為26.4%(2020年：29.9%)，主要由於本集團未能按2021年下半年原材料成本大幅上升及生產成本波動的速度對產品售價進行全面調整。

業務概況(續)

本集團繼續推進自動化及智能化生產，積極升級生產技術及設備，並且採取有效的採購策略，控制原材料和生產成本，從而實現規模經濟效益最大化。再者，通過提升運營效率、優化產品組合及擴大市場份額，本集團業務持續增長，盈利維持健康水平。

截止2021年12月31日，本集團與若干房地產行業客戶之間的應收賬款總額為人民幣16.72億元(其中貿易應收款項及票據、以及應收借款分別為人民幣13.66億元及人民幣3.06億元)。本集團已與該其中一位客戶達成協議以其物業擔保以抵償其部分債務相當於人民幣5.43億元。本公司管理層對該等客戶截至2021年12月31日應收賬款的可回收性進行了評估，認為需計提相應的信用減值損失為人民幣11.29億元。

於報告期內，本集團之除息稅折攤前盈利按年下跌7.7%至人民幣57.20億元(2020年：人民幣61.95億元)，而除息稅折攤前盈利率則為17.8%(2020年：22.1%)。除稅前溢利按年下跌19.9%至人民幣38.07億元(2020年：人民幣47.54億元)。淨利率為9.4%(2020年：13.4%)。本公司擁有人應佔溢利按年下跌18.8%至人民幣30.44億元(2020年：人民幣37.51億元)。利潤下滑的主要原因是由於本集團對房地產行業客戶應收項目計提減值準備、原材料及能源等價格大幅波動導致產品綜合成本上升等因素造成。每股基本盈利為人民幣0.99元(2020年：人民幣1.22元)。實際稅率則為20.7%(2020年：21.0%)。

為回饋所有股東的支持和分享業績成果，董事會建議宣派截至2021年12月31日止年度之末期股息為每股26港仙(2020年：每股38港仙)。連同中期股息，2021年之年度股息為每股38港仙。

BUSINESS REVIEW AND OUTLOOK

PLASTIC PIPING SYSTEMS

In 2021, on the back of the recovery in the domestic economy, the production and operation of enterprises in the PRC were recovering steadily and the manufacturing industry showed resilience and strength. This indicated the growing momentum of the domestic economic recovery. Leveraging its industry-leading innovation capability and scale of operation, the Group has capitalised on the state's dual circulation economic model and pressed ahead with technological innovation so as to actively develop new products and technologies to satisfy the market's needs. By grasping the opportunities arising from the Chinese government's initiatives in the "New Infrastructure, New Urbanisation Initiatives and Major Projects" and economic stimulus package, the Group further expanded the market share of its plastic piping system business and maintained its steady growth, so as to consolidate its leading position in the industry. During the year, the Group was committed to optimising its customer portfolio, and further shifted its focus from private engineering and construction projects to projects led by state-owned enterprises and municipal governments which had stronger demand.

業務回顧與展望

塑料管道系統

2021年，承接國內的經濟復蘇，中國企業生產經營保持穩定恢復勢態，製造業表現出超強韌性和實力，反映國內經濟恢復增長動力。憑藉行業領先的創新水平及規模優勢，本集團在國內外雙循環的新發展格局捉緊機遇，持續技術創新，積極開發新產品及新技術配合市場需求，把握「兩新一重」及刺激經濟政策所帶來的機會，進一步擴大塑料管道系統業務的市場份額，保持業務穩健增長，並鞏固業內領導地位。年內，本集團致力優化其銷售客戶組合，進一步從民營工程及建築項目轉向具更強勁需求的國企及各地市政府主導的項目。

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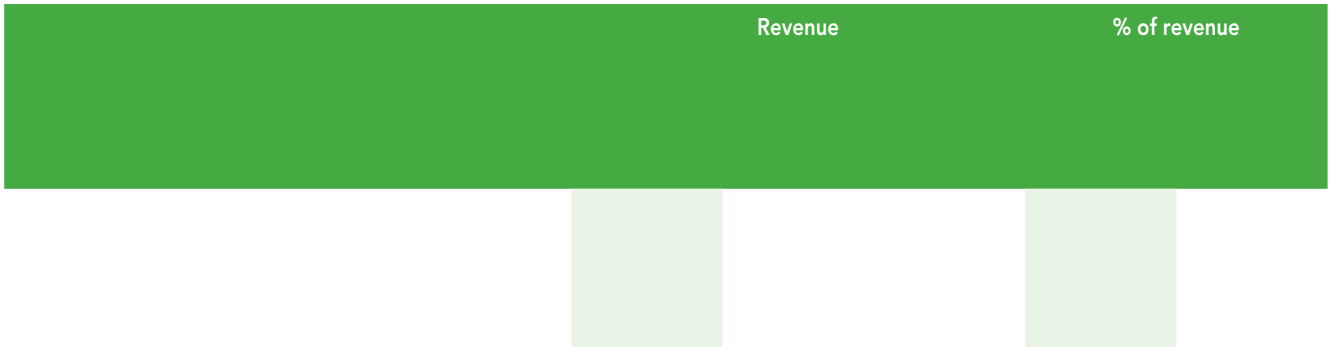
收入按地區劃分



BUSINESS REVIEW AND OUTLOOK (Continued)

PLASTIC PIPING SYSTEMS (Continued)

In 2021, the Group focused its investment on the construction of an intelligent high-tech and environmental-friendly production base in Gansu, which is not only an integral component in the Group's nationwide strategic business planning, but also a fulcrum of its move to accelerate the development of the market of northwestern China. It is expected that the project will be able to generate annual sales of approximately 100,000 to 150,000 tonnes of plastic piping at full capacity. In addition, the digital intelligent factory in Guangdong, will be put into operation, adding strong impetus to the Group's intelligent manufacturing and high-quality development. That factory also indicates China Lesso's commitment to the plastic piping system business as its primary operation, pursuit of agricultural modernisation, and the expansion of its business of building materials and home improvement.

In 2022, the Group will continue to expand existing plants and increase production facilities, in addition to its plan to construct new production bases in Guangxi and Gansu. In the future, the Group will continue to increase investment in exploring and transforming automation and intelligence application, while accelerating the implementation and replication of smart factories, which will help the execution of the national "double carbon" strategy in enterprises, deepen the green development approach, and expand the array of green industries. Our product innovation follows the concept of circular economy so as to enhance the operation and management efficiency of the Group, as well as reduce costs and improve overall quality.

The Group firmly believes that innovation is the driving force for corporate development. The Group continues to innovate and develop its proprietary technology while keeping abreast of the global scientific research forces. In the future, the Group will continue to invest in research and development, steadily improve the capability of technological innovation, and actively transform its business with the help of intelligent manufacturing. The Group will drive its own development by enhancing the ecosystem of its businesses throughout the value chain of the industry and champion the green development of the industry. All this can further consolidate the Group's position as an industry leader in the world.

業務回顧與展望(續)

塑料管道系統(續)

2021年，本集團重點投資興建的甘肅智能化、高科技綠色環保生產基地，為全國戰略佈局中一個非常重要的環節，亦是加速開發西北市場的一個關鍵節點，預期項目達產後，塑料管道的年銷量約10萬噸至15萬噸。另外，廣東的數字化智能工廠的啟動，為本集團智能製造及高品質發展注入強勁動能，並預示中國聯塑不斷深耕塑料管道系統主業，發展現代農業，拓寬建材家居產業。

2022年，本集團將繼續擴建現有廠房，增加生產設備；另亦計劃在廣西、甘肅等省份興建新生產基地。未來，本集團將加大投入，持續進行自動化、智能化的探索和改造，加速智能工廠落地和複製，助力國家「雙碳」戰略在企業的踐行，深化綠色發展之路，擴大綠色產業陣列，產品創新踐行循環經濟理念，從而提高企業的經營管理效率，降本提質增效。

本集團深信創新是企業發展的源動力，一直以同步全球的科研力量，不斷自主創新發展。未來將持續投入研發，穩步提升技術創新水平，積極推進智能製造變革，產業鏈生態賦能發展，推動行業綠色發展，在全球進一步鞏固行業領導者地位。

BUSINESS REVIEW AND OUTLOOK (Continued)

PLASTIC PIPING SYSTEMS (Continued)

To keep abreast of market trends, the Group continues to develop new products and new technologies that satisfy market's demand. As the stainless-steel pipe products which had been introduced by the Group earlier have been advertised and have gone into mass production, an additional production line will be set up in a plant in Foshan in 2022 for mass production.

During the reporting period, the Group remained committed to broadening the scope of application of plastic pipes and pipe fittings, and actively extended it to the agricultural sector. The efforts not only enriched the Group's income sources, but also expanded its market share and boosted its sales growth. In 2022, it is expected that the government will introduce a series of policies to expedite infrastructure projects, including urban upgrading and redevelopment, the construction of municipal pipelines, and reform of the rural sewerage system. The Group also opportunely capitalised on the implementation of new national policies and infrastructure construction by consistently expanding the business of plastic piping systems and actively responding to the national development strategy, thereby giving strong support to the development of urban infrastructure and projects on improving people's livelihood.

As a market leader, the Group kept on seeking prospective business partners and formed strategic partnerships with a number of different private enterprises that enable all the parties to complement each other with their respective advantages and to share information through in-depth cooperation, and thus achieve synergies among them. This will enable them to raise the standard of quality of urban construction in different regions, and is conducive to enriching the scope of their collaboration. Such strategic partnerships will ultimately increase the Group's market share and enhance its competitive strength in regional markets, thus further consolidating its market leadership.

On top of continuous and steady expansion of the domestic market, the Group is actively seeking to develop overseas markets thus gradually promote the internationalisation of its brand and export high-quality China-made goods. In view of the characteristics of overseas markets, the Group has set up overseas sales centres and established sales sub-teams in 11 countries and regions to develop overseas markets, making China Lesso known to more overseas consumers and enhancing the brand awareness overseas. At the same time, the Group also continued to optimise the overseas supply chain and promote the localisation of its brands, striving to serve overseas customers with better and faster experience of procurement.

業務回顧與展望(續)

塑料管道系統(續)

為緊貼市場趨勢，本集團不斷開發適應市場需求的新產品及新技術。本集團早前推出的不銹鋼管道產品，經過初段推廣及批量生產，將於2022年在佛山廠房增設生產線，全面進行量產。

於報告期內，本集團致力全方位擴展塑料管道及管件的應用層面，積極開拓農業板塊業務，一方面豐富收入來源，另一方面擴大市場佔有率，帶動業務銷售增長。2022年，預期國家將推出一系列加快推動基建項目的政策，當中包括城市升級改造、市政管道建設、農村水改等，本集團將緊抓新政落地時機，充分把握國策及基礎建設所帶來的機遇，持續拓展塑料管道系統業務，積極投身國家戰略，助力城市基礎建設及改善民生的工程建設。

作為市場的領導者，本集團繼續尋找具潛力的合作對象，先後與多間不同的民營企業組成戰略合作夥伴關係，透過深入合作有利於各方優勢互補、資訊共用，發揮協同效應，從而提升不同區域城市建設的素質，有利加快完善合作領域，提高本集團的市場份額與區域競爭力，進一步鞏固其市場領導地位。

本集團在持續穩固拓展國內市場的基礎上，積極尋求開拓海外市場，逐步推進品牌國際化，帶領品質國貨走出國門。針對海外市場特性，本集團成立了海外銷售中心，並於11個國家及地區建立銷售分團隊，分工拓展海外多個市場，讓中國聯塑走進更多海外消費者的視野，提升品牌在海外的知名度。與此同時，亦不斷優化海外供應鏈，推進品牌本土化，力求帶給海外客商更好、更快速的採購體驗。

BUSINESS REVIEW AND OUTLOOK (Continued)

PLASTIC PIPING SYSTEMS (Continued)

In order to gradually improve its global presence, the Group is actively scaling up its overseas production with a focus on the Southeast Asian market. It will tap into the huge domestic demand of the market and capitalise on the infrastructure development there. Phase I of the production base in Indonesia has been put into operation and Phase II will be built in 2022 to prepare for the Group's further expansion into overseas markets. The production base in Cambodia is also undergoing renovation and is expected to commence production in the first half of 2022. In addition, the Group has accelerated the construction of production bases in Thailand, Malaysia, the Philippines and Bangladesh to continue to enhance the competitiveness and influence of China Lesso in overseas markets. The Group will also remain open to potential acquisitions in the market to support further production capacity expansion overseas. Overall, the management is fully confident about the future development of the plastic piping system business and believe that it will continue to perform well.

BUILDING MATERIALS AND HOME IMPROVEMENT

In 2021, China's real estate market experienced a change from strong performance in the first half of the year to deep adjustment in the second half of the year, recording "a high first and then a low" in the transaction volume. In the first half of 2021, China's economy fully recovered when the pandemic was brought under control. This led to the release of the pent-up demand for housing, rendering the property market bullish. However, provincial and municipal governments stepped up regulatory policies towards the real estate sector in the second half of the year, triggering off debt crises of some real estate developers. This weakened both the supply and demand, causing the property market to cool down abruptly. To cope with the situation, the Group has taken active measures to diversify its customer portfolio by shifting the focus of its business of building materials and home improvement to supplying its goods to infrastructure projects led by governments and state-owned enterprise. This move aimed at generating more stable growth in revenue at that business segment. During the reporting period, the Group's building materials and home improvement business recorded revenue of RMB2,751 million, representing an increase of 37.8% and accounting for 8.6% of the Group's total revenue. To accelerate the development of this business segment, the Group actively explored possibilities for collaboration with various industries. The move not only further broadened the customer base but also provided a more stable source of revenue for the Group.

業務回顧與展望(續)

塑料管道系統(續)

為逐步完善全球佈局，本集團積極擴張海外生產規模，重點拓展東南亞市場，以把握當地龐大的內需市場和基建發展。目前於印度尼西亞的1期生產基地已投入運營，2022年將興建2期的規模建設，為進一步開拓海外市場作好準備。而於柬埔寨的生產基地亦加快改造中，預計可於2022年上半年投產。此外，本集團著力加速了推進在泰國、馬來西亞、菲律賓、孟加拉等國家的生產基地建設，以持續提升中國聯塑在海外市場的競爭力和影響力。本集團亦會對市場上潛在收購項目持開放態度，為海外進一步產能拓展提供支援。總體而言，管理層對塑料管道系統業務分部的未來發展抱有信心，相信能繼續為本集團帶來理想的業務表現。

建材家居

中國房地產市場於2021年經歷了從上半年高熱到下半年深度調整的轉變，樓市交易量出現「前高後低」。2021年上半年，中國已走出疫情陰霾，經濟全面復甦，住房需求率先得到釋放，市場氣氛熱烈，但下半年由於各地調控政策持續加碼，部份房地產開發商爆發債務危機，市場活躍度驟降，供需兩端均走弱。有見及此，本集團積極採取措施多元化調整客戶組合，轉向以政府及國企主導的基礎設施項目為主，務求為建材家居業務帶來更穩定的盈收增長。於報告期內，本集團建材家居業務錄得收入為人民幣27.51億元，按年上升37.8%，佔本集團總收入的8.6%。為加快該業務板塊的發展，本集團積極尋求與各行各業間的跨領域合作，不但能進一步拓寬客戶群，同時亦為集團提供更穩定的收入來源。

BUSINESS REVIEW AND OUTLOOK (Continued)

BUILDING MATERIALS AND HOME IMPROVEMENT (Continued)

China Lesso acted in line with the trend of the macroeconomy, the development of the home improvement market and the current conditions of the real estate industry. It seized and created new opportunities by giving full play to its advantages such as its well-developed businesses along the value chain of the industry, supply chain and scale of operation. The Group has created a new model of "BBC" home improvement and established a unique ecosystem of businesses in the value chain of industry, Specifically the Group has created a one-stop integrated solution for the supply of all categories of products for home improvement, with the aim of joining hands with its distributors and business partners in exploring new business opportunities in the home improvement sector. In addition, the Group has also actively set up home improvement boutique stores under Lesso brand and continues to accelerate its nationwide expansion through promotional meetings held in Wuhan, Hubei; Shunde, Guangdong; Changsha, Hunan; Nanchang, Jiangxi; Hefei, Anhui and Jinan, Shandong. At the same time, it will also provide "Good Housekeeping (好管家)" free value-added services to fully address the user's concern for home improvement.

In the future, China Lesso will continue to further explore the home improvement market, improve the business mix along the value chain of the industry, maintaining its ability to keep abreast of the latest developments in the market and technological innovation, and enhance both quality and efficiency with a view to becoming a lifestyle pioneer who will build a better urban life by providing comfortable and high-quality products and services to more residents worldwide.

業務回顧與展望(續)

建材家居(續)

面對宏觀市場經濟走向，房地產產業現狀，家裝市場發展趨勢，中國聯塑順勢而為，發揮產業鏈、供應鏈、規模等平台優勢，把握並創造新機會，創建「BBC」家裝新模式，建立獨具特色的生態鏈，重點打造一套適用於家裝家用領域全品類集成供應的一站式解決方案，與廣大經銷合作夥伴共創家裝新商機。此外，本集團亦積極佈局聯塑家裝精品專賣店，先後於湖北武漢、廣東順德、湖南長沙，江西南昌、安徽合肥和山東濟南舉辦了宣導會，持續在全國加速落地。同時，亦會配套提供「好管家」免費增值服務，全面解決用戶家裝的後顧之憂。

未來，中國聯塑將繼續探索更廣闊的家裝市場，完善產業價值鏈條佈局，保持對市場和技術創新的敏銳力，提質增效，成為生活方式的先行者，為全球更多居者提供舒適高品質的產品及服務，構築城市美好生活。

BUSINESS REVIEW AND OUTLOOK (Continued)

BUILDING MATERIALS AND HOME IMPROVEMENT (Continued)

Looking ahead to 2022, China will continue to adhere to the principle that "houses are for living in, not for speculation" in its policy on the property sector and achieve the objectives of "stabilising the prices of lands and housing and managing the market expectations", while continuing to improve the long-term mechanism of the real estate market, and adopting "City-specific Policies" to promote the healthy cycle and development of the real estate industry. To cope with the further adjustment of the real estate market, the Group will continue to provide more diverse products and one-stop integrated solution and services, strengthen its relationships with existing customers and business partners, and explore new channels for business development. Benefiting from the national policy of expediting the initiatives in the "New Infrastructure, New Urbanisation Initiatives and Major Projects", the industry of building materials and home improvement has great potential for development. Therefore, the Group is confident about the prospect of its business. It will actively give full play to the synergy between the pipeline business and its building materials and home improvement business. Furthermore, the Group will increase investment in scientific research, step up the cultivation of technical talents, and innovate and upgrade eco-friendly products. All this will further advance the healthy development of the supply chain of the property sector and drive the steady growth in the business of building materials and home improvement.

OTHERS

Environmental Protection Business

With the beginning of the rapid development stage, the global environmental protection industry has gradually become an important force to support the growth of the economic efficiency of the industry, and is becoming an important goal and key to the innovation and adjustment of the industrial structure in China. With the gradual increase in national awareness of environmental protection and the increasing importance attached to environmental protection by the state, a series of environmental protection laws and policies have been formulated and amended, which have played a vital role in the development of the environmental protection industry. Against the backdrop of China's strategic target of "double carbon", the Group has actively responded to the government's call for environmental protection, and vigorously developed the environmental protection business segment. During the reporting period, the Group's environmental protection business recorded a revenue of RMB301 million due to the impact of the repeated pandemic outbreak.

業務回顧與展望(續)

建材家居(續)

展望2022年，國家仍將堅持「房住不炒」總基調，實現「穩地價、穩房價、穩預期」目標，持續完善房地產長效機制，因城施策促進房地產業良性循環和健康發展。在房地產市場調整勢態繼續深化的當下，本集團將繼續提供更多元化的產品及一站式的整體解決方案服務，一方面加強與現有客戶及業務夥伴的關係，另一方面致力開拓新渠道。受惠國家加速推進「兩新一重」項目落地，建材家居行業發展潛力龐大，因此本集團對其相關業務前景充滿信心，將積極發揮管道業務與建材家居業務的協同效應，並加大科研投入，注重技術人才培養，創新升級綠色產品，推動房地產供應鏈的健康發展，驅動建材家居業務的穩定增長。

其他

環保業務

全球環保產業開始進入快速發展階段，逐漸成為支撐產業經濟效益增長的重要力量，並正在成為中國革新和調整產業結構的重要目標和關鍵。隨著國民環保意識逐步增強、國家對環境保護重視程度的不斷提高，並制定和修訂了一系列環境保護法規及政策，對環保產業的發展起到了至關重要的積極作用。隨著國家提出「雙碳」戰略目標的大背景下，本集團積極響應國家的環保號召，大力發展環保業務板塊。於報告期內，由於受反覆疫情影響，本集團環保業務實現收入人民幣3.01億元。

BUSINESS REVIEW AND OUTLOOK (Continued)

OTHERS (Continued)

Environmental Protection Business (Continued)

The Group is planning to further expand its environmental protection business by establishing hazardous solid waste treatment centres in Sanshui, Guangdong and Miluo, Hunan. In the future, by giving full play to its technological advantages in the environmental protection industry and making good use of new opportunities creating by "double carbon" policy, the Group will continue to integrate various resources as it aims for great achievements in various projects, including environmental protection investment, municipal sewage and industrial wastewater treatment, black odorous water treatment, comprehensive treatment for rural environmental improvement, solid waste treatment, testing, sponge city, urban underground integrated pipeline utility tunnels, soil restoration, urban water supply and drainage, and marine environmental protection. The Group strives to rank among China's top, large environmental companies.

Supply Chain Service Platform Business

To capitalise on the Belt and Road Initiative of the PRC government, the Group has built a supply chain service platform, which is positioned as a "One-Stop Specialty Market for Home Improvement and Consumer Products", to enter overseas markets with the focus on the Southeast Asian market. With the supply chain service platform serving as a transnational platform, the Group is well-positioned to showcase in overseas markets the products of Chinese manufacturers engaged in the manufacturing of home improvement and consumer goods, and to provide supporting services such as marketing, brand promotion and development planning consultation to these manufacturers. During the reporting period, the revenue from supply chain services platform business increased by 24.2% to RMB856 million despite the recurrent outbreaks of the global pandemic. In the future, the Group, taking into account the business development, plans to further expand the distribution network of the supply chain services platform business in Southeast Asia, and grasp the resulting business opportunities to promote the long-term development of such business segment.

業務回顧與展望(續)

其他(續)

環保業務(續)

本集團正計劃於廣東三水及湖南汨羅籌建固危處理中心，進一步擴大環保業務佈局。借助自身在環保行業的深厚技術優勢未來，本集團將持續整合各方資源，把握「雙碳」新機遇，著力爭取環保投資、市政污水及工業廢水治理工程、黑臭水體治理、農村環境綜合整治、固廢處理、檢測、海綿城市、城市地下綜合管廊、土壤修復、城市給水排水工程、海洋環保等項目，努力躋身於中國大型環保企業前列。

供應鏈服務平台業務

藉國家的「一帶一路」倡議，本集團搭建定位為「一站式專業家居展廳及消費品商城」的供應鏈服務平台，進軍海外市場，重點發展東南亞市場。供應鏈服務平台亦作為本集團向海外市場展示中國家居建材及消費品生產商的產品的跨國平台，同時，並為該等生產商提供營銷、品牌推廣及發展規劃諮詢等配套服務。於報告期內，儘管全球疫情持續反覆不定，供應鏈服務平台業務收入上升24.2%至人民幣8.56億元。未來，本集團將按業務發展情況，計劃進一步開拓東南亞的供應鏈服務平台業務分銷網絡，把握商機，推動該業務的長遠發展。

業務回顧與展望(續)

FINANCIAL POSITION (Continued)

At the end of the reporting period, the Group's total equity increased to RMB21,807 million. The Group's current assets and current liabilities were RMB24,352 million and RMB20,864 million, respectively. The Group's Current Ratio and Quick Ratio decreased to 1.17 and 0.84 from 1.22 and 0.91 as at 31 December 2020, respectively.

The Board believes the Group will be able to continue to generate positive cash flows from its operations. With cash and bank deposits, including restricted cash, of RMB7,646 million as well as unutilised banking facilities, the Board considers that the Group has sufficient working capital for its operation and future development.

The Group had no material exposure to foreign exchange fluctuation and no hedging had been arranged during the period.

CHARGE ON ASSETS

At the end of the reporting period, the secured bank loans are secured by land and its concession rights of a subsidiary, machineries and equipment of a subsidiary, leasehold lands and buildings of subsidiaries, loan receivables of a subsidiary, the concession rights of a subsidiary and personal guarantee provided by a shareholder of that subsidiary.

CONTINGENT LIABILITIES

At the end of the reporting period, the Group did not have any significant contingent liabilities.

HUMAN RESOURCES

At the end of the reporting period, the Group employed a total of approximately 20,400 employees including directors. Total staff costs were RMB1,986 million during the reporting period. The Group ensures that the remuneration packages for employees are determined based on their work performance, professional experience and the prevailing industry practice. Discretionary year-end bonus and shares award may be distributed to employees based on individual performance. Other benefits to employees include medical insurance, retirement scheme and training programmes.

財務狀況(續)

於報告期末，本集團的權益總額增至人民幣218.07億元。本集團的流動資產及流動負債分別為人民幣243.52億元及人民幣208.64億元。本集團的流動比率及速動比率從2020年12月31日的1.22及0.91分別下降至1.17及0.84。

董事會相信本集團可繼續從業務營運產生正向現金流。現金及銀行存款(包括受限制現金)為人民幣76.46億元，再加上尚未使用之銀行融資額度，董事會認為本集團擁有足夠的營運資金用於經營及未來發展。

期內，本集團並無任何重大外匯波動風險，亦無作出任何對沖安排。

資產抵押

於報告期末，有抵押銀行貸款乃以一間附屬公司的土地及其特許經營權、一間附屬公司的機器及設備、附屬公司的租賃業權土地及樓宇、一間附屬公司的應收借款、一間附屬公司的特許經營權及其一名股東的個人擔保作抵押。

或然負債

於報告期末，本集團概無任何重大或然負債。

人力資源

於報告期末，本集團共聘用約20,400名僱員，包括董事在內。報告期內的員工成本總額為人民幣19.86億元。本集團確保僱員薪酬乃根據其工作表現、專業經驗及現行行業慣例釐定，並可按照個人表現年底酌情向僱員發放花紅及股份獎勵。其他僱員福利包括醫療保險、退休計劃及培訓課程。

SIGNIFICANT INVESTMENTS

INVESTMENT IN ASSOCIATES

At the end of reporting period, the Group holds 26.2% equity interest in Xingfa Aluminium Holdings Limited ("Xingfa Aluminium") (Stock Code: 98). Xingfa Aluminium is one of the leading aluminium profile manufacturers in China. The Group considers Xingfa Aluminium not only serves as a valuable investment with sustainable returns, but also as a good strategic investment. With extensive experience in the business of construction materials and industrial materials, Xingfa Aluminium has established various kinds of sales channels and a diverse customer base. This may create long-term commercial synergies with the Group's businesses to broaden its sales channels and expand its customer base, and enrich the Group's comprehensive portfolio of products and services. This can facilitate the Group's business diversification and reinforce its market leadership. During the reporting period, Xingfa Aluminium recorded a revenue of RMB15,433 million, and profit attributable to the shareholders of Xingfa Aluminium was RMB888 million.

INVESTMENT PROPERTIES

At the end of the reporting period, the Group's investment properties were RMB7,810 million. Increase in investment properties was mainly attributable to the additions of properties in Asia and construction costs on certain investment properties under development of RMB1,997 million, fair value gain of RMB917 million, and set-off with the exchange loss on translation of RMB561 million, the disposal of a vacant land in Toronto and reclassification of a vacant land in Sydney to asset held for sale of RMB1,476 million during the reporting period. The disposal of this vacant land in Sydney was completed in January 2022.

Among these investment properties, the properties in Toronto, Canada, Long Island, US and Auburn district of Sydney are existing properties; the construction of first-phase projects in Thailand, Myanmar and Indonesia have completed; and other properties are under rezoning or at the planning stage of development.

重大投資

投資聯營公司

於報告期末，本集團持有興發鋁業控股有限公司（「興發鋁業」）（股份代號：98）26.2%的權益。興發鋁業為中國領先鋁型材製造商之一，本集團認為興發鋁業不單是一項可創造持續回報的有價值投資，亦是本集團進行戰略投資的良機。由於興發鋁業在建築及工業材料業務擁有豐富經驗，因此已建立了不同的銷售渠道及客戶群，可為本集團業務創造長期的商業協同效應，一方面擴闊本集團的銷售渠道及增加客戶群，另一方面帶來更全面的產品及服務組合，推動多元化業務發展及有助鞏固本集團之市場領導地位。於報告期內，興發鋁業錄得收入為人民幣154.33億元，實現歸屬於興發鋁業股東之溢利為人民幣8.88億元。

投資物業

於報告期末，本集團的投資物業為人民幣78.10億元。投資物業增加主要歸因於報告期內人民幣19.97億元的亞洲物業添置及若干發展中投資物業建設成本、人民幣9.17億元的公允價值利益，以及抵銷人民幣5.61億元的匯兌虧損、人民幣14.76億元的一塊多倫多閒置土地的出售及一塊悉尼閒置土地重新分類至持作出售資產所致。該塊悉尼閒置土地出售已於2022年1月完成。

於該等投資物業中，加拿大多倫多物業、美國長島物業及澳洲悉尼奧本物業是現有物業；泰國、緬甸及印度尼西亞的第一期工程建設已峻工；及其他物業正進行重新改劃或尚處於規劃發展階段。

SIGNIFICANT INVESTMENTS (Continued)

FINANCIAL INVESTMENTS

At the end of reporting period, the Group held long-term and short-term financial investments of approximately RMB2,031 million (31 December 2020: RMB2,681 million) and RMB823 million (31 December 2020: RMB25 million), respectively. The investment portfolio comprised of 52.2% in listed equity securities (issued by (i) PRC-based companies of: home improvement and furnishings shopping malls operating, chemical raw materials processing and property management; and (ii) United Kingdom based company of automotive manufacturer), 6.1% in listed debt securities, 4.7% in unlisted debt securities, 0.6% in stock funds and 36.4% in unlisted equity securities. Each of these investments has a carrying amount accounting to less than 5% for the Group's total assets as at 31 December 2021.

During the reporting period, the Group recognised a realised disposal gain of approximately RMB420 million, unrealised mark-to-market valuation loss of approximately RMB445 million due to volatility of the global capital market and recognised approximately RMB24 million of exchange loss on translation. Income from the portfolio amounted to

重大投資(續)

金融投資

於報告期末，本集團分別持有長期及短期金融投資約人民幣20.31億元(2020年12月31日：人民幣26.81億元)及人民幣8.23億元(2020年12月31日：人民幣2,500萬元)。投資組合包括52.2%的上市股本證券(由位於(i)中國的家居裝飾及傢俱商場運營、化工原料加工及物業管理公司；及(ii)英國的汽車製造商公司發行)、6.1%的上市債務證券、4.7%的非上市債務證券、0.6%的股票型基金及36.4%的非上市股本證券。該等各項投資的賬面值均低於本集團於2021年12月31日總資產的5%。

於報告期內，本集團確認約人民幣4.20億元的已實現出售利益、因全球資本市場波動而產生約人民幣4.45億元的按市值估值的未實現虧損及確認約人民幣2,400萬元的匯兌虧損。報告期內投資組合的收益為約人民幣900萬元，為股息及利息收益。

於作出投資決策前，本集團會審慎研究市場及潛在被投資方的資料。本集團會於購入後密切及定期監管被投資方的表現，並會審慎地調整投資策略，以期在必要時盡量減低市場波動對本集團的影響。

除上文所披露者外，於報告期末，本集團並無任何重大投資。

CORPORATE SOCIAL RESPONSIBILITY

ENVIRONMENT

Environmental protection is always a top priority of China Lesso, and the concepts of low carbon and environmental protection are integrated into its whole operational process. The Group has applied the ideas of going green and environmental protection throughout its product design, research and development, production and practical operations, and has adopted a variety of eco-friendly measures to minimise impact on the environment. On top of that, the Group supports the development of environmental protection industry and is committed to water treatment and modern agriculture construction, and has created a sustainable and eco-friendly industrial chain from environmental protection consultation, environmental assessment, design, construction and operation of environmental protection plans to financing support. In addition, the Group establishes a complete environmental management system, continues to improve criteria and measures concerning management of environmental protection, adopts a more simplified operating process and energy-efficient hardware to reduce consumption of energy and water resources, increases benefits from resource consumption, reduces wastes emissions and enhances recycling.

The Group complies with laws and regulations governing air pollution, noise emission, solid waste discharge, and other environmental protection issues in China. The environmental management and compliance department work together with the legal department to ensure the Group will keep abreast of the latest development on environment-related laws and regulations.

COMMUNITY ENGAGEMENT

China Lesso takes an active part in community investment and public welfare and provides care for underprivileged groups in the society, aiming to apply its influence, bring positive changes to the communities where it operates, and maintain sound relations with the communities where it operates. Further, the Group actively supports the development of education in poverty-stricken areas and encourages its employees to serve the community as volunteers.

企業社會責任

環境

中國聯塑一直以來注重環境保護工作，將低碳環保的理念融入運營實踐全過程。本集團將綠色環保理念貫穿於產品的設計、研發以及生產中，並採取多項環保措施以降低對環境的影響。本集團亦支持發展環保產業，致力於水體整治與現代農業建設，打造一條從項目諮詢、環境監測、環保方案設計、施工營運服務到融資支援的可持續發展生態環保產業鏈。此外，本集團建立完善的環境管理體系，不斷改進環保管理規範及措施，推廣精簡的運作流程和節能硬件，以減少能源及水資源使用量、提升資源使用效益、降低廢棄物排放並提升循環利用率。

本集團遵循國家制定的包括在空氣污染、噪聲污染與固體廢棄物排放方面的環保法律法規。本集團的環境管理與合規部門和法律部門合作，確保本集團符合最新的環保方面法律法規的要求。

社區投入

中國聯塑積極參與社區投資和社會公益，關愛社會弱勢群體，注重在集團所在的社區發揮影響力，為社區帶來積極正面的影響，並與所在社區建立良好關係。此外，本集團亦積極支持貧困地區的教育事業發展，鼓勵員工加入到社區服務和志願者工作。

CORPORATE SOCIAL RESPONSIBILITY (Continued)

EMPLOYEE

China Lesso recognises employees as one of its most important assets. In strict compliance with the applicable laws and regulations, the Group protects the legitimate rights and interests of its employees and fixes on its pay system based on the principles of legality, equity, fairness and encouragement so as to ensure an equal access to fair treatment and career opportunities. In addition, the Group has formulated its own health and safety policies, intensified safety training for employees, carried out routine safety patrols and actively pushed forward with relevant management system building for the purpose of creating a safe working environment for its employees, achieving a work-life balance for its employees through diverse activities.

With great emphasis on career development of its employees, the Group is committed to creating diversified and comprehensive development channels for its employees by offering a series of training programs and regular lectures on safety and health through its own Lesso College.

CUSTOMER AND SUPPLIER

China Lesso has strived to maintain uninterrupted communications with its suppliers for win-win results based on the procurement principles of fairness, openness and impartiality. The Group has put in place a "Supplier Management System" and conducts regular performance evaluation of its suppliers. The Group has formulated a management system, a reporting process and set up a management team against malpractices in an effort to oversee behaviour of all its employees and protect the interests and rights of the Company and its shareholders. With respect to customer services and management, the Group upholds the "market-oriented, customer-centred" principle and adopts strict control over product quality. The Group is committed to providing its customers with safe, reliable and quality products.

SUSTAINABLE DEVELOPMENT REPORT

Details of the Group's corporate social responsibility progress and performance in 2021 are disclosed in the upcoming sustainable development report.

企業社會責任(續)

員工

中國聯塑視員工為重要的資產。本集團嚴格遵守相關法律法規，依法保護員工權益，並以合法、合理、公平、激勵的原則制定薪酬管理制度，確保員工擁有公平的待遇和均等的工作機會。本集團亦為員工制定健康與安全政策，致力加強員工安全培訓，並對生產工作進行日常安全巡查，積極推進管理體系建設，為員工提供安全的工作環境，以及通過多元化的活動達到員工工作與生活的平衡。

此外，本集團重視員工發展，並設立聯塑學院為各類員工提供一系列的培訓課程和定期舉辦安全健康講座，致力於為員工提供多元化及全面的發展通道。

客戶與供應商

中國聯塑重視與供應商保持持續溝通，建立協作共贏的關係，堅持公平公開公正的採購原則。本集團設有《供應商管理制度》，並定期與供應商進行績效評估。本集團制定反舞弊管理制度、設立舞弊舉報管理流程及成立反舞弊管理小組，負責規範所有員工的行為，致力維護本公司和股東權益。在客戶服務和管理方面，本集團始終堅持「以市場為導向、以客戶為中心」的服務宗旨，嚴格把控產品質量，致力於為客戶提供安全可靠的優質產品。

可持續發展報告

有關本集團於2021年的企業社會責任進展及表現的詳情會在即將刊發的可持續發展報告內披露。

Set out below is the report presented by the Board together with the Group's audited consolidated financial statements for the year ended 31 December 2021.

以下為董事會提呈的報告連同本集團截至2021年12月31日止年度的經審核綜合財務報表。

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

主要業務及業務回顧

The principal activity of the Company is investment holding. The activities of the principal subsidiaries, associates and joint ventures are set out in notes 46, 17 and 18 respectively to consolidated financial statements. Further discussion and analysis of these activities, including a discussion of the principal risks and uncertainties facing by the Group and an indication of likely future developments in the Group's business, the Group's environmental policies can be found in the "Chairman's Statement", "Corporate Governance Report" and "Management Discussion and Analysis". This discussion forms part of the Directors' Report.

本公司的主要業務為投資控股。其主要附屬公司、聯營公司及合營企業的業務詳情分別載於綜合財務報表附註46、17及18。有關此等業務之進一步討論及分析(包括有關本集團所面臨主要風險及不明朗因素之討論、本集團業務未來可能發展之指引以及本集團環境政策)可於「主席報告書」、「企業管治報告」及「管理層討論及分析」中查閱。此討論構成董事會報告之一部分。

RESULTS AND APPROPRIATIONS

業績及分配

The Group's profit for the year ended 31 December 2021 and the Group's financial position at that date are set out in the consolidated financial statements on pages 90 to 234.

本集團截至2021年12月31日止年度的溢利及本集團於該日的財務狀況載於第90至234頁的綜合財務報表內。

The Board recommended the payment of a final dividend of HK26 cents per share for the year ended 31 December 2021 (the "Proposed Final Dividend") to the Shareholders whose names appear on the register of members of the Company on Friday, 8 July 2022, subject to the Shareholders' approval at the forthcoming annual general meeting of the Company to be held on Friday, 17 June 2022 (the "2022 AGM"). It is expected that the Proposed Final Dividend will be paid on Friday, 22 July 2022.

董事會建議向2022年7月8日(星期五)名列本公司股東名冊的股東派付截至2021年12月31日止年度的末期股息每股26港仙(「擬派末期股息」)，惟須待股東於本公司2022年6月17日(星期五)即將舉行的股東週年大會(「2022年股東週年大會」)批准方可作實。預期擬派末期股息將於2022年7月22日(星期五)支付。

Including the interim dividend of HK12 cents per share (2020: HK12 cents per share) for the six months ended 30 June 2021 which was paid to the Shareholders on 18 November 2021, the total dividend for 2021 amounts to a total of HK38 cents per share (2020: HK50 cents per share), which represents a payout ratio of 31.7% (2020: 34.8%) of the profit attributable to the Shareholders for the year ended 31 December 2021.

經計及於2021年11月18日向股東派付截至2021年6月30日止六個月的中期股息每股12港仙(2020年：每股12港仙)後，2021年的總股息合共為每股38港仙(2020年：每股50港仙)，派息比率為截至2021年12月31日止年度股東應佔溢利的31.7%(2020年：34.8%)。

CLOSURE OF REGISTER OF MEMBERS

(A) FOR DETERMINING THE ENTITLEMENT TO ATTEND AND VOTE AT THE 2022 AGM

The register of members of the Company will be closed from Wednesday, 15 June 2022 to Friday, 17 June 2022, both dates inclusive, during this period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the 2022 AGM, unregistered holders of shares of the Company should ensure that all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on Tuesday, 14 June 2022.

(B) FOR DETERMINING THE ENTITLEMENT TO THE PROPOSED FINAL DIVIDEND

The register of members of the Company will be closed from Wednesday, 6 July 2022 to Friday, 8 July 2022, both dates inclusive, during this period no transfer of shares of the Company will be registered. In order to be eligible to receive the Proposed Final Dividend, unregistered holders of shares of the Company should ensure that all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on Tuesday, 5 July 2022.

CORPORATE GOVERNANCE AND PERMITTED INDEMNITY PROVISION

Principal corporate governance practices and permitted indemnity provision adopted by the Company are set out in the Corporate Governance Report on pages 15 to 42.

FINANCIAL SUMMARY

A summary of the Group's results, assets and liabilities for the past five financial years, as extracted from audited consolidated financial statements and restated/reclassified as appropriate, is set out on page 3. The summary does not form part of the audited consolidated financial statements.

暫停辦理股份過戶登記手續

(A) 確定出席2022年股東週年大會並於會上投票的資格

本公司股東名冊將於2022年6月15日(星期三)至2022年6月17日(星期五)(包括首尾兩天)暫停登記，這期間不會辦理本公司股份過戶登記手續。為取得出席2022年股東週年大會並於會上投票的資格，本公司股份的未登記持有人須確保不遲於2022年6月14日(星期二)下午4時30分向本公司股份過戶登記分處 — 香港中央證券登記有限公司(地址為香港灣仔皇后大道東183號合和中心17樓1712–1716室) — 遞交所有股份過戶表格連同相關股票辦理登記。

(B) 確定收取擬派末期股息的資格

本公司股東名冊將於2022年7月6日(星期三)至2022年7月8日(星期五)(包括首尾兩天)暫停登記，這期間不會辦理本公司股份過戶登記手續。為取得收取擬派末期股息的資格，本公司股份的未登記持有人須確保不遲於2022年7月5日(星期二)下午4時30分向本公司股份過戶登記分處 — 香港中央證券登記有限公司(地址為香港灣仔皇后大道東183號合和中心17樓1712–1716室) — 遞交所有股份過戶表格連同相關股票辦理登記。

企業管治及獲准許彌償條文

本公司採納的主要企業管治常規及獲准許彌償條文刊載於第15至42頁的企業管治報告內。

財務概要

本集團過去五個財政年度的業績、資產及負債的概要載於第3頁，乃摘錄自經審核綜合財務報表，並於適當情況下重列／重新分類。該概要並不構成經審核財務報表其中部分。

物業

本集團主要物業的詳情載於第235至237頁。

股本

本公司於年內的股本變動詳情載於綜合財務報表附註36。

收購附屬公司

收購附屬公司詳情載於綜合財務報表附註39。

可供分派儲備

於2021年12月31日，根據開曼群島公司法（經修訂）計算的本公司可供分派儲備為人民幣28.46億元（2020年：人民幣32.33億元）。為數人民幣19.06億元（2020年：人民幣19.06億元）的款項指本公司可予分派的股份溢價，惟於緊隨建議派發股息之日，本公司將能夠償還日常業務範圍內的到期債務。

主要客戶及供應商

截至2021年12月31日止年度，本集團五大客戶應佔的總營業額是本集團總營業額的6%，其中最大客戶的營業額佔2.4%。本集團五大供應商應佔的總購貨額是本集團總購貨額的42.6%，其中最大供應商的購貨額[illegible]，其的購 貨 [illegible]

TAX RELIEF AND EXEMPTION

The directors are not aware of any tax relief and exemption available to the Shareholders by reason of their holding of the Company's securities.

稅務減免及豁免

董事並不知悉任何股東因持有本公司的證券而可享有任何稅務減免及豁免。

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to the existing Shareholders.

優先購買權

本公司的組織章程細則或開曼群島的法例並無有關本公司須按比例向現有股東發售新股份的優先購買權規定。

DIRECTORS

Directors in office during the year and up to the date of this report are as follows:

董事

於年內並截至本報告日期止在任的董事如下：

EXECUTIVE DIRECTORS

Mr. Wong Luen Hei *(Chairman)*
Mr. Zuo Manlun *(Chief executive)*
Ms. Zuo Xiaoping
Mr. Lai Zhiqiang
Mr. Kong Zhaocong
Mr. Chen Guonan
Dr. Lin Shaoquan
Mr. Huang Guirong
Mr. Luo Jianfeng
Mr. Lin Dewei

執行董事

黃聯禧先生*(主席)*
左滿倫先生*(行政總裁)*
左笑萍女士
賴志強先生
孔兆聰先生
陳國南先生
林少全博士
黃貴榮先生
羅建峰先生
林德緯先生

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wong Kwok Ho Jonathan
Ms. Lan Fang
Dr. Tao Zhigang
Mr. Cheng Dickson
Ms. Lu Jiandong

獨立非執行董事

王國豪先生
蘭芳女士
陶志剛博士
鄭迪舜先生
呂建東女士

Pursuant to Article 16.18 of the articles of association of the Company, Mr. Wong Luen Hei, Mr. Kong Zhaocong, Dr. Lin Shaoquan, Mr. Wong Kwok Ho Jonathan and Mr. Cheng Dickson are subject to retirement by rotation at the 2022 AGM and, being eligible, offer themselves for re-election.

根據本公司的組織章程細則第16.18條，黃聯禧先生、孔兆聰先生、林少全博士、王國豪先生及鄭迪舜先生須於2022年股東週年大會上輪席告退，惟合資格並願膺選連任。

Biographical details of directors are set out on pages 8 to 13.

董事履歷刊載於第8至13頁。

DIRECTORS' SERVICE CONTRACTS

No director proposed for re-election at the 2022 AGM has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

董事服務合約

擬於2022年股東週年大會膺選連任的董事概無與本集團訂立不可於一年內由本集團終止而毋須支付賠償(法定賠償除外)的服務合約。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2021, the interests and short positions of the directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of SFO) as recorded in the register to be kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

董事及行政總裁於股份、相關股份及債權證的權益及淡倉

於2021年12月31日，本公司董事及行政總裁於本公司或其任何相聯法團(證券及期貨條例第XV部內的定義)的股份、相關股份及債權證中擁有根據證券及期貨條例第352條須於本公司存置的登記冊中記錄，或根據標準守則須通知本公司及聯交所的權益及淡倉如下：

(A) INTEREST IN SHARES OF THE COMPANY

(A) 於本公司股份的權益

Name 姓名	Number and capacity of shares [a] 股份數目及性質[a] Beneficial owner 實益擁有人	Interests of spouse 配偶權益	Other interests 其他權益	Total 總數	Percentage of the issued share capital of the Company 佔本公司已發行股本的百分比
Wong Luen Hei 黃聯禧	–	2,308,000 (L) [c]	2,122,485,000 (L) [b] [d]	2,124,793,000 (L)	68.49%
Zuo Xiaoping 左笑萍	2,308,000 (L) [c]	–	2,122,485,000 (L) [b] [d]	2,124,793,000 (L)	68.49%
Zuo Manlun 左滿倫	4,642,000 (L)	–	–	4,642,000 (L)	0.15%
Luo Jianfeng 羅建峰	1,927,000 (L)	–	–	1,927,000 (L)	0.06%
Tao Zhigang 陶志剛	30,000 (L)	–	–	30,000 (L)	–

Note:

(a) The letter "L" denotes the person's long position in such securities.

(b) These shares of the Company are held by New Fortune, which was wholly-owned by Xi Xi Development and ultimately owned by UBS Trustees (B.V.I.) Limited, as trustee of a discretionary trust (the "Trust"), the settlor of which is Mr. Wong Luen Hei ("Mr. Wong"). The discretionary beneficiaries of the Trust included Mr. Wong and his family members. Both Mr. Wong and Ms. Zuo Xiaoping are taken to be interested in the said shares of the Company held by the Trust under the SFO.

(c) Ms. Zuo Xiaoping is directly holding 2,308,000 shares of the Company. Mr. Wong is the spouse of Ms. Zuo Xiaoping, and therefore Mr. Wong is deemed to be interested in such shares of the Company in which Ms. Zuo Xiaoping is interested by virtue of the SFO.

(d) These shares related to the same block of shares in the Company as set out in note (b) above.

附註：

(a) 字母「L」指該人士於該等證券的好倉。

(b) 該等本公司股份由新富星所持有。該公司由西溪發展全資擁有，並最終由UBS Trustees (B.V.I.) Limited作為一項全權信託(「該信託」，黃聯禧先生(「黃先生」)為其財產授予人)的信託人所擁有。該信託的全權信託受益人包括黃先生及其家族成員。根據證券及期貨條例，黃先生及左笑萍女士被視為於該信託所持有的上述本公司股份中擁有權益。

(c) 左笑萍女士直接持有本公司的2,308,000股股份。黃先生為左笑萍女士的配偶，因此根據證券及期貨條例，黃先生被視為於左笑萍女士於其中擁有權益的該等本公司股份中擁有權益。

(d) 該等股份實指上文附註(b)所述的同一本公司股份權益。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)

董事及行政總裁於股份、相關股份及債權證的權益及淡倉(續)

(B) INTEREST IN SHARES OF ASSOCIATED CORPORATIONS

(B) 於相聯法團股份的權益

Name 姓名	Associated corporation 相聯法團	Number and capacity of shares[a] 股份數目及性質[a] Beneficial Owner 實益擁有人	Percentage of the registered capital of the associated corporation 佔相聯法團註冊資本的百分比
Zuo Manlun 左滿倫	Jiangsu Yongbao Environmental Technology Co., Ltd.* 江蘇永葆環保科技股份有限公司	3,840,000 (L)	4.80%
	EDA Cloud Technology Holdings Limited 易達雲科技控股有限公司	6,846 (L) [b]	3.00%
Luo Jianfeng 羅建峰	Jiangsu Yongbao Environmental Technology Co., Ltd.* 江蘇永葆環保科技股份有限公司	2,640,000 (L)	3.30%
	EDA Cloud Technology Holdings Limited 易達雲科技控股有限公司	6,846 (L) [b]	3.00%

Note:

(a) The letter "L" denotes the person's long position in such securities.

(b) The director's interest represents the number of shares of the associated corporation to be purchased and acquired upon the director's exercise in full of the options granted by the shareholder of such associated corporation. Details of the Share Option Scheme are set out in note 38(A) to consolidated financial statements.

附註：

(a) 字母「L」指該人士於該等證券的好倉。

(b) 該董事的權益指彼悉數行使從該相聯法團的股東獲授的期權後所購買和收購的該相聯法團股份數目。購股權計劃的詳情載於綜合財務報表附註38(A)。

Save as disclosed above, as at 31 December 2021, none of the directors or chief executive of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations that was required to be recorded in the register pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於2021年12月31日，本公司董事或行政總裁概無於本公司或其任何相聯法團的任何股份、相關股份及債權證中擁有任何根據證券及期貨條例第352條須於登記冊中記錄，或根據標準守則須通知本公司及聯交所的權益或淡倉。

INTERESTS AND SHORT POSITIONS OF OTHER SHAREHOLDERS PURSUANT TO SFO

As at 31 December 2021, the following persons (other than a director or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

根據證券及期貨條例其他股東的權益及淡倉

於2021年12月31日，於本公司股份或相關股份中擁有根據證券及期貨條例第336條須予存置的登記冊中記錄的權益或淡倉的人士(本公司董事及行政總裁除外)如下：

Name of Shareholders 股東名稱	Capacity 身份	Number of issued ordinary shares held [a] 持有的已發行普通股數目 [a]	Percentage of the issued share capital of the Company 佔本公司已發行股本的百分比
UBS Trustees (B.V.I.) Limited UBS Trustees (B.V.I.) Limited	Trustee 信託人	2,122,485,000 (L) [b]	68.41%
Xi Xi Development 西溪發展	Interests of controlled corporation 受控法團權益	2,122,485,000 (L) [b]	68.41%
New Fortune 新富星	Beneficial owner 實益擁有人	2,122,485,000 (L) [b]	68.41%

Note:

(a) The letter "L" denotes the person's long position in such securities.

(b) These shares relate to the same block of shares in the Company as those set out in note (b) in the section headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures: (A) Interest in Shares of the Company" above.

附註：

(a) 字母「L」指該人士於該等證券的好倉。

(b) 該等股份實指上文「董事及行政總裁於股份、相關股份及債權證的權益及淡倉：(A) 於本公司股份的權益」一節附註(b)所述的同一本公司股份權益。

Save as disclosed above, as at 31 December 2021, the directors of the Company were not aware of any person or corporation (other than the directors and chief executive of the Company) who had any interests or short positions in any shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

除上文所披露者外，於2021年12月31日，本公司董事概不知悉任何人士或法團(本公司董事及行政總裁除外)於本公司任何股份或相關股份中擁有根據證券及期貨條例第336條須予存置的登記冊記錄的任何權益或淡倉。

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the reporting period.

SHARE AWARD SCHEME

On 28 August 2018, the Company adopted a share award scheme (the "Scheme") to recognise the contributions by certain eligible persons to the Group and to offer suitable incentives to attract and retain targeted talent and personnel for the continual operation and future development of the Group. On 29 November 2018, a trust deed (the "Trust Deed") was entered into between the Company as settlor and Computershare Hong Kong Trustees Limited as trustee (the "Trustee") in relation to the establishment of a trust (the "Trust"). Pursuant to the rules of the Scheme, Shares will be purchased by the Trustee from the open market out of cash contributed by the Company, and shall not exceed HK$750 million and be held on trust for the selected participants until such Shares are vested with the relevant selected participants in accordance with the rules of the Scheme. The Scheme is a discretionary scheme of the Company and shall be subject to the administration of the Board and the Trustee in accordance with the rules of the Scheme and the Trust Deed. The Scheme does not constitute a share option scheme within the meaning of Chapter 17 of the Listing Rules. The Scheme will remain in force for a period of 10 years since the date of adoption of the Scheme. Early termination of the Scheme may be elected by the Board, provided that such termination shall not affect any subsisting rights of any selected participants. For details, please refer to the announcement made by the Company on 28 August 2018. Since the date of adoption of the Scheme and up to the date of this report, no shares have been awarded under the Scheme. As at 31 December 2021, there were 22,991,000 shares held in the Trust under the Scheme.

購買、出售或贖回上市證券

本公司或其任何附屬公司於報告期內概無購買、出售或贖回任何本公司的上市證券。

股份獎勵計劃

於2018年8月28日，本公司採納股份獎勵計劃(「該計劃」)，以肯定若干合資格人士對本集團所作出的貢獻及給予適當激勵，藉此吸引及挽留目標人才及人員促進本集團的持續經營及未來發展。於2018年11月29日，本公司(作為財產授予人)與香港中央證券信託有限公司(作為信託人，「信託人」)就設立信託(「信託」)訂立信託契據(「信託契據」)。根據該計劃的規則，信託人將以本公司出資的現金自公開市場購入不超過7.50億港元的股份，並以信託形式代選定參與人持有，直至有關股份根據該計劃的規則歸屬於相關選定參與人為止。該計劃屬本公司的酌情計劃，並由董事會及信託人根據該計劃的規則及信託契據進行管理。該計劃並不構成上市規則第17章所界定的購股權計劃。該計劃將自採納該計劃當日起10年期間維持有效。董事會可選擇提早終止該計劃，惟有關終止不得影響任何選定參與人的任何存續權利。有關詳情請參閱本公司於2018年8月28日作出的公告。自採納該計劃當日起及截至本報告日期止，並無根據該計劃授出股份。於2021年12月31日，根據該計劃以信託形式持有22,991,000股股份。

ARRANGEMENT FOR DIRECTORS TO PURCHASE SHARES OR DEBENTURES

At no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director of the Company or their respective spouses or minor children, or were such rights exercised by them, or was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of the Company or any other body corporate.

董事購買股份或債權證的安排

於年內任何時間，概無向任何本公司董事或彼等各自的配偶或未成年子女授出透過收購本公司股份或債權證而獲益的權利，亦無該等權利獲彼等行使，本公司、其控股公司或其任何附屬公司並無參與訂立任何安排讓本公司董事可透過收購本公司或任何其他法團的股份或債務證券（包括債權證）而獲利。

DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE

Save as disclosed under paragraph headed "Connected Transactions", no transaction, arrangement or contract of significance to which the Company, its holding company and any of its subsidiaries was a party and in which a director of the Company or an entity connected with him had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事於重大合約的權益

除「關連交易」一段所披露者外，本公司、其控股公司或其任何附屬公司概無參與訂立任何由本公司董事或由其有關聯的實體直接或間接擁有重大權益且於年終或於年內任何時間仍然有效的交易、安排或重大合約。

COMPLIANCE AND ENFORCEMENT OF THE NON-COMPETE UNDERTAKINGS FROM CONTROLLING SHAREHOLDER

None of the directors or substantial shareholder of the Company or any of their respective associates has engaged in any business that competes or may compete with the business of the Group. New Fortune (the "Controlling Shareholder", being a company holding approximately 68.41% of the issued share capital of the Company, and is ultimately held by the trust the founder of which is Mr. Wong Luen Hei, and the beneficiaries of which include Mr. Wong Luen Hei and his family) has entered into a deed of non-competition in favour of the Group with Mr. Wong Luen Hei dated 14 May 2010 (the "Deed of Non-Competition").

The directors are of the view that the Group's measures adopted by the Company in respect of the enforceability of the Deed of Non-Competition are adequate to safeguard the effectiveness of the non-competition undertakings. The independent non-executive directors have reviewed the compliance of the Deed of Non-Competition. Based on the confirmation from the Controlling Shareholder, the independent non-executive directors are of the view that the Deed of Non-Competition has been complied with and has been effectively enforced.

遵守及執行控股股東的不競爭承諾

概無本公司董事或主要股東或任何彼等各自的聯繫人從事任何與本集團業務競爭或可能競爭的業務。新富星（「控股股東」，為持有本公司已發行股本約68.41%的公司，其由信託最終持有，而該信託的創辦人為黃聯禧先生，受益人包括黃聯禧先生及其家族）及黃聯禧先生已於2010年5月14日訂立以本集團為受益人的不競爭契據（「不競爭契據」）。

董事認為本公司所採納本集團有關執行不競爭契據的措施已足夠保障不競爭承諾的效力。獨立非執行董事已審閱不競爭契據的遵守情況。根據控股股東的確認函，獨立非執行董事認為不競爭契據已獲遵守及有效執行。

DISCLOSURE PURSUANT TO RULES 13.18 AND 13.21 OF THE LISTING RULES

(A) On 6 May 2019, the Company as guarantor and its wholly-owned subsidiary as borrower entered into a facility agreement (the "Convertible Loan Facilities Agreement") in relation to convertible loan facilities in the aggregate amount of US$100 million at an interest rate of 3% per annum. The final maturity date in respect of each facility is the date which is 36 months after the date of the utilisation of that facility.

Pursuant to the Convertible Loan Facilities Agreement, it is required that as at the date of the Convertible Loan Facilities Agreement, the date of each utilisation request and the first day of each interest period with respect to the relevant facility, (i) the Wong Family must beneficially own (whether directly or indirectly) in aggregate at least 51% of the issued share capital of the Company and such share capital cannot be subject to any security or quasi-security, and (ii) the Company must beneficially own, directly or indirectly, at least 51% of the total number of issued shares of the borrower. Otherwise, a failure to do so will be deemed an event of default under the Convertible Loan Facilities Agreement.

(B) On 30 July 2019, the Company as guarantor and its wholly-owned subsidiary as borrower entered into a facility agreement (the "Facility Agreement I") in relation to dual currency syndicated term loan and revolving credit facilities in the equivalent amount of US$900 million at an interest rate of LIBOR/HIBOR plus 1.60% per annum with syndicate lenders. The final maturity date under the Facility Agreement I is the date falling 48 months after the first utilisation date.

On 23 October 2019, a syndication and amendment agreement (the "Syndication and Amendment Agreement") in relation to the Facility Agreement I was entered into by, among others, the guarantor and the borrower. Subject to the terms and conditions of the Syndication and Amendment Agreement, the number of syndicate lenders will be increased and the total commitment under the facilities will be increased to the equivalent amount of US$1,100 million. Save for the aforesaid amendment and supplement, all other major terms of the Facility Agreement I remain in full force and effect.

Pursuant to the Facility Agreement I (as amended by the Syndication and Amendment Agreement), the Wong Family shall collectively maintain, directly or indirectly, at least 51% of beneficial shareholding interest in the issued share capital of the Company, carrying at least 51% of the voting rights, free from any security. Otherwise, a failure to do so will be deemed an event of default under the Facility Agreement I.

根據上市規則第13.18條及第13.21條作出的披露

(A) 於2019年5月6日，本公司(作為擔保人)及其全資附屬公司(作為借款人)訂立一項1億美元，年利率為3%的可換股貸款融資協議(「可換股貸款融資協議」)。就各項融資的最後到期日而言，為該融資提取日期後36個月的日期。

根據可換股貸款融資協議規定，於可換股貸款融資協議日期、就相關融資的各提款要求日期及各利息期首日，(i)黃氏家族須(直接或間接)實益持有本公司已發行股本合共最少51%，且有關股本不得受任何抵押或準抵押限制，及(ii)本公司須(直接或間接)實益擁有借款人已發行股份總數之最少51%。否則，將被視為可換股貸款融資協議項下的違約事件。

(B) 於2019年7月30日，本公司(作為擔保人)及其全資附屬公司(作為借款人)與銀團貸款人訂立一項相當於9億美元，年利率為倫敦銀行同業拆息／香港銀行同業拆息加1.60%的雙幣銀團定期貸款及循環信貸融資之融資協議(「融資協議I」)。融資協議I項下的最後到期日為首次動用當日48個月後的日期。

於2019年10月23日，有關融資協議I的銀團及修訂協議(「銀團及修訂協議」)由(其中包括)擔保人與借款人訂立。根據銀團及修訂協議的條款及條件，銀團貸款人數目將增加，而該融資之總承擔將增至相當於11.00億美元。除上述修訂及補充外，融資協議I之所有其他主要條款均維持十足效力及有效。

根據融資協議I(經銀團及修訂協議修訂)，黃氏家族須共同直接或間接擁有(且並無抵押)本公司已發行股本最少51%實益股權(佔最少51%的表決權)。否則，將被視為融資協議I項下的違約事件。

根據上市規則第13.18條及第13.21條作出的披露(續)

(C) 於2021年7月15日，本公司(作為擔保人)及其全資附屬公司(作為借款人)與銀團貸款人訂立一項相當於5.5億美元(其後可增至最多相當於7億美元)，年利率為倫敦銀行同業拆息／香港銀行同業拆息加1.40%的雙幣銀團定期貸款及循環信貸融資之融資協議(「融資協議II」)。融資協議II項下的到期日為2024年7月15日。

CONNECTED TRANSACTIONS (Continued)

(A) PURCHASE OF MACHINERY

On 28 December 2020, the Company entered into the new machinery purchase agreement with Guangdong Liansu Machinery in relation to the possible purchase of machinery by the Group from Guangdong Liansu Machinery for 3 years commencing from 1 January 2021 and ending on 31 December 2023, at a price not exceeding the price offered to the Group by any independent third parties. The annual machinery purchase caps for the years ending 31 December 2021, 31 December 2022 and 31 December 2023, shall not exceed RMB190 million, RMB220 million and RMB250 million respectively. For details, please refer to the announcement made by the Company on 28 December 2020.

Total consideration paid for the reporting period by the Group was RMB153 million.

(B) ACQUISITION OF A SUBSIDIARY

On 25 September 2021, Fuller Crests Limited (the "Purchaser") (a wholly-owned subsidiary of the Company) entered into the Share Purchase Agreement with Yan Sing Fu Sing Real Estate (Holdings) Limited (the "Seller") (ultimately and wholly owned by four individuals who are all connected persons of the Company, comprising (i) Mr. Zuo Manlun (an executive Director and the chief executive officer of the Group), (ii) Ms. Zuo Xiaoping (an executive Director and the controlling Shareholder), (iii) Ms. Zuo Xiaoying (a director of a subsidiary of the Company and a sister of both Mr. Zuo Manlun and Ms. Zuo Xiaoping) and (iv) Mr. Liu Laiduo (the husband of Ms. Zuo Xiaoying)), pursuant to which the Seller agreed to sell, and the Purchaser agreed to purchase, the entire issued share capital of Century Xinghui Creative Park Investment Limited (the "Target Company") for the consideration of RMB100 (excluding stamp duty and other applicable transaction fees). At the end of the reporting period, the Target Company has become a wholly-owned subsidiary of the Company. For details, please refer to the announcement of the Company dated 27 September 2021.

The Company has followed the pricing policies and guidelines when determining the price and terms of the connected transactions during the year. The Company confirms that it has complied with the disclosure requirements in accordance with chapter 14A of the Listing Rules.

關連交易(續)

(A) 購買機器

於2020年12月28日，本公司與廣東聯塑機器訂立新機器採購協議，內容有關於自2021年1月1日起至2023年12月31日止為期3年，本集團可能向廣東聯塑機器採購機器，而價格不會超過任何獨立第三方向本集團所提供之價格。截至2021年12月31日、2022年12月31日及2023年12月31日止年度的機器採購年度上限分別不得超過人民幣1.9億元、人民幣2.2億元及人民幣2.5億元。有關詳情，請參閱本公司於2020年12月28日所作之公告。

本集團於報告期內支付總代價為人民幣1.53億元。

(B) 附屬公司之收購

於2021年9月25日，富盈有限公司(「買方」)(本公司之全資附屬公司)與盈信富星地產集團有限公司(「賣方」)(為一間投資控股公司，由四名個人(全部均為本公司關連人士)最終全資擁有。該四名個人為(i)左滿倫先生(本集團執行董事兼行政總裁)、(ii)左笑萍女士(本集團執行董事兼控股股東)、(iii)左笑英女士(本公司附屬公司之董事，為左滿倫先生及左笑萍女士之姐妹)和(iv)劉來多先生(為左笑英女士的丈夫))訂立購股協議，據此，賣方同意出售而買方同意購買世紀星輝創意園投資有限公司(「目標公司」)之全部已發行股本，代價為人民幣100元(不包括印花稅及其他適用交易費)。於完成後，買方成為目標公司之唯一股東。於報告期末，目標公司已成為本公司之全資附屬公司。有關詳情，請參閱本公司於2021年9月27日之公告。

年內，本公司於釐定關連交易的價格及條款時已遵從定價政策及指引。本公司確認其已遵守根據上市規則第14A章的披露規定。

關連交易(續)

獨立非執行董事已就上市規則第14A.55條審閱所有持續關連交易，並確認本集團的所有持續關連交易(i)是於一般及日常業務過程；(ii)按正常商業條款；及(iii)根據規管該等交易的協議條款訂立，屬公平合理且符合股東的整體利益。

本公司的核數師獲聘遵照香港會計師公會發出的香港核證聘用準則3000(經修訂)*歷史財務資料審計或審閱以外的核證聘用*，並參照實務說明第740號關於*香港上市規則所述持續關連*

INDEPENDENT AUDITOR'S REPORT
獨立核數師報告

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

關鍵審核事項

關鍵審核事項是根據我們的專業判斷，認為對本期綜合財務報表的審核最為重要的事項。這些事項是在對綜合財務報表整體進行審核並形成意見的背景下進行處理的，我們不對這些事項提供單獨的意見。我們對下述每一事項在審核中是如何應對的描述也以此為背景。

我們已經履行了本報告「*核數師就審核綜合財務報表承擔的責任*」部分闡述的責任，包括與這些關鍵審核事項相關的責任。相應地，我們的審核工作包括執行為應對評估的綜合財務報表重大錯誤陳述風險而設計的審核程序。我們執行審核程序的結果，包括應對下述關鍵審核事項所執行的程序，為綜合財務報表整體發表審核意見提供了基礎。

關鍵審核事項(續)

Key audit matter 關鍵審核事項	How our audit addressed the key audit matter 如何應對關鍵審核事項
Provision for impairment of trade and bills receivables and loan receivables (Continued) *貿易應收款項及票據和應收借款的減值撥備(續)*	
The accounting policies, disclosures of the allowance for impairment of loan receivables and trade and bills receivables and the related credit risk are included in notes 2.4, 3, 20 and 24 to the consolidated financial statements. 有關會計政策、應收借款和貿易應收款項及票據減值撥備以及相關信貸風險的披露載於綜合財務報表附註2.4、3、20及24。	iii) Evaluated and tested the important parameters of the expected credit loss model, management's major judgements and related assumptions, mainly focusing on the following aspects: 評估及測試預期信貸虧損模型的重要參數、管理層主要判斷及相關假設，主要專注以下方面： • Assessing the rationality of the expected credit loss model methodology and related parameters, including historical loss rate, risk exposure, and significant increase in credit risk; 評估預期信貸虧損模型法及相關參數(包括歷史損失率、風險及信貸風險大幅增加)的合理性； • Assessing management's consideration of forward-looking adjustment information when determining expected credit losses, including the use of macroeconomic information, the judgement of adjustments, and the reasonableness of reviews; and 評估管理層於釐定預期信貸虧損時對前瞻性調整資料的考慮(包括簫[illegible]

KEY AUDIT MATTERS (Continued) 關鍵審核事項(續)

Key audit matter 關鍵審核事項	How our audit addressed the key audit matter 如何應對關鍵審核事項
Provision for impairment of manufacturing and trading related inventories *製造及貿易相關存貨減值撥備*	
At 31 December 2021, the Group had manufacturing and trading inventories of RMB6,145,376,000, net of provision for impairment of RMB195,764,000, which represented 11.28% of the total assets. The provision for impairment mainly related to certain obsolete and slow-moving inventories. We focused on this area because these inventories were material to the Group and the provision for impairment of inventories involved a high level of management's judgement and estimate. 於2021年12月31日， 貴集團製造及貿易存貨賬面值為人民幣6,145,376,000元，該賬面值為扣除減值撥備人民幣195,764,000元之後之餘額，佔資產總額的11.28%。該減值撥備主要關於若干過時及滯銷存貨項目。我們重點關注該科目是由於該等存貨對於 貴集團重大且存貨減值撥備涉及高度管理層判斷和估計。 Related disclosures in the consolidated financial statements are included in notes 2.4, 3 and 22. 於綜合財務報表內的相關披露載於附註2.4、3及22。	Our audit procedures included, among others: 我們的審核程序包括(但不限於)： i) Evaluated, amongst others, the analyses and assessments made by management with respect to obsolete and slow-moving inventories, including market values and expected selling prices of the related inventories and the Group's future plan of usage or sale; 評估(當中包括)管理層就過時及滯銷存貨作出的分析及評估，包括有關存貨的市值及預期售價，以及 貴集團的未來使用或出售計劃； ii) Assessed the reliability of the underlying data used by management in calculating the production related inventory provisions such as the inventory ageing reports, by re-performing the ageing calculation generated by the system; 重新計算系統產生的年期(如存貨年期報告)，以評估管理層用於計算生產相關存貨撥備的相關資料可靠性； iii) Tested the accuracy of management's calculation by assessing the calculation criteria and recalculating the provision; and 評估計算標準及重新計算撥備，以測試管理層計算的準確性；及 iv) Evaluated, based on a sample of production related inventories, the analyses performed by management regarding the net realisable values of the production related inventories. 抽樣檢查生產相關存貨，以評估管理層有關生產相關存貨可變現淨值的分析。

Key audit matter 關鍵審核事項	How our audit addressed the key audit matter 如何應對關鍵審核事項
Valuation of investment properties *投資物業估值*	
At 31 December 2021, the Group had investment properties of RMB7,809,639,000 which represented 14.33% of the total assets and were measured at fair value. The valuation of the investment properties was important to our audit as it represented a significant judgement area and an important part of the total assets of the Group. Management employed independent qualified valuers to assess the fair value. The valuation of the investment properties was highly dependent on a range of estimates made by management. 於2021年12月31日， 貴集團持有人民幣7,809,639,000元的投資物業，佔總資產的14.33%，並按公平價值計量。投資物業的估值對我們的審核工作而言十分重要，因為它代表一個重大判斷範圍及本集團總資產的重大部分。管理層聘請獨立合資格估值師評估公平價值。投資物業的估值高度依賴管理層作出的一系列估計。	

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

年報所載的其他資料

貴公司董事需對其他資料負責。其他資料包括於年報內刊載的資料，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不對該等其他資料發表任何形式的鑒證結論。

結合我們對綜合財務報表的審核，我們的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審核過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他資料存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在編製綜合財務報表時，貴公司董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非貴公司董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會協助貴公司董事履行職責，監督貴集團的財務報告過程。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審核綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅對全體成員作出報告。除此之外本報告不作其他用途，我們概不就本報告的內容對任何其他人士負上或承擔任何責任。

合理保證是高水平的保證，但不能保證按照香港審核準則進行的審核，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據香港審核準則進行審核的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對這些風險，以及獲取充足和適當的審核憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或淩駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。

- 瞭解與審核相關的內部控制，以設計適當的審核程序，但目的並非對　貴集團內部控制的有效性發表意見。

- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

核數師就審核綜合財務報表承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對　貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審核憑證。然而，未來事項或情況可能導致　貴集團不能持續經營。

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。

- 就　貴集團內實體或業務活動的財務資料獲取充足、適當的審核憑證，以便對綜合財務報表發表意見。我們負責　貴集團審核的方向、監督和執行。我們為審核意見承擔全部責任。

我們就(其中包括)計劃的審核範圍、時間安排、重大審核發現等與審核委員會溝通，包括我們在審核中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Lee Mee Kwan, Helena.

核數師就審核綜合財務報表承擔的責任(續)

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審核最為重要，因而構成關鍵審核事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審核項目合夥人是李美群。

Ernst & Young
Certified Public Accountants
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

28 March 2022

安永會計師事務所
執業會計師
香港鰂魚涌
英皇道979號
太古坊一座27樓

2022年3月28日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
綜合損益及其他全面收益表

Year ended 31 December 2021
截至2021年12月31日止年度

		Note 附註	**2021** **RMB'000** **人民幣千元**	2020 RMB'000 人民幣千元
REVENUE	**收入**	5	**32,057,584**	28,073,065
Cost of sales	銷售成本		**(23,609,891)**	(19,689,086)
Gross profit	毛利		**8,447,693**	8,383,979
Other revenue, income and gains	其他收入、收益及利益	5	**1,433,071**	509,187
Selling and distribution expenses	銷售及分銷開支		**(1,493,378)**	(1,264,143)
Administrative expenses	行政開支		**(1,506,939)**	(1,332,183)
Impairment losses on financial and contract assets	金融及合約資產的減值虧損		**(1,329,541)**	(56,439)
Other expenses	其他開支		**(1,441,493)**	(1,255,349)
Finance costs	融資成本	6	**(546,149)**	(435,892)
Share of results of associates	分佔聯營公司業績		**242,740**	203,233
Share of result of a joint venture	分佔合營企業業績	18	**1,278**	1,167
PROFIT BEFORE TAX	**除稅前溢利**	7	**3,807,282**	4,753,560
Income tax expense	所得稅開支	9	**(788,693)**	(996,171)
PROFIT FOR THE YEAR	**年內溢利**		**3,018,589**	3,757,389
OTHER COMPREHENSIVE INCOME	**其他全面收益**			
Items that may be reclassified subsequently to profit or loss:	其後可能重新歸類至損益的項目：			
Debt instruments at fair value through other comprehensive income:	按公允價值計入其他全面收益的債務工具：			
Changes in fair value, net of tax	公允價值變動（稅後淨額）		**(315,985)**	(8,393)
Reclassification adjustments for loss on disposal included in the consolidated statement of profit or loss	重新歸類調整綜合損益表內之出售虧損		**–**	8,191
			(315,985)	(202)
Share of other comprehensive income of an associate, net of tax	分佔一間聯營公司的其他全面收益（稅後淨額）		**2,594**	(1,472)
Exchange differences on translation of foreign operations	折算外幣報表產生的匯兌差額		**(327,957)**	407,430
			(641,348)	405,756

Year ended 31 December 2021
截至2021年12月31日止年度

		Note 附註	**2021** **RMB'000** **人民幣千元**	2020 RMB'000 人民幣千元
Profit attributable to:	以下應佔溢利：			
Owners of the Company	本公司擁有人		**3,044,159**	3,750,829
Non-controlling interests	非控制權益		**(25,570)**	6,560
			3,018,589	3,757,389
Total comprehensive income attributable to:	以下應佔全面收益總額：			
Owners of the Company	本公司擁有人		**2,185,919**	4,338,754
Non-controlling interests	非控制權益		**(75,422)**	38,896
			2,110,497	4,377,650
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	**本公司擁有人應佔每股盈利**			
Basic and diluted	基本及攤薄	11	**RMB0.99** **人民幣0.99元**	RMB1.22 人民幣1.22元

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
綜合財務狀況表

As at 31 December 2021
於2021年12月31日

		Note 附註	2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
NON-CURRENT ASSETS	**非流動資產**			
Property, plant and equipment	物業、廠房及設備	12	**12,331,567**	9,900,108
Right-of-use assets	使用權資產	13A	**2,378,954**	2,036,052
Investment properties	投資物業	14	**7,809,639**	6,973,570
Deposits paid for the purchase of land, property, plant and equipment	購買土地、物業、廠房及設備所支付的按金		**1,043,250**	1,599,016
Goodwill	商譽	15A	**495,857**	381,408
Other intangible assets	其他無形資產	15B	**547,836**	380,929
Interests in associates	於聯營公司的權益	17	**2,618,990**	2,395,177
Interest in a joint venture	於一間合營企業的權益	18	**12,801**	11,523
Other financial assets	其他金融資產	19	**2,031,511**	2,681,006
Loan receivables	應收借款	20	**86,400**	139,584
Other non-current assets	其他非流動資產	21	**385,376**	122,299
Contract assets	合約資產	23	**39,980**	78,411
Deferred tax assets	遞延稅項資產	34	**349,105**	159,888
Total non-current assets	非流動資產總額		**30,131,266**	26,858,971
CURRENT ASSETS	**流動資產**			
Inventories	存貨	22	**6,881,329**	5,126,847
Contract assets	合約資產	23	**576,901**	469,541
Other financial assets	其他金融資產	19	**822,696**	24,915
Loan receivables	應收借款	20	**1,152,292**	875,066
Trade and bills receivables	貿易應收款項及票據	24	**4,212,442**	3,850,194
Prepayments, deposits and other receivables	預付款、按金及其他應收款項	25	**2,130,992**	1,874,592
Cash and bank deposits	現金及銀行存款	26	**7,646,249**	7,447,436
			23,422,901	19,668,591
Asset held for sale	持作出售資產	27	**929,022**	–
Total current assets	流動資產總額		**24,351,923**	19,668,591
CURRENT LIABILITIES	**流動負債**			
Contract liabilities	合約負債	23	**3,249,079**	1,528,934
Trade and bills payables	貿易應付款項及票據	28	**7,545,637**	5,678,208
Other payables and accruals	其他應付款項及應計費用	29	**1,697,228**	1,100,218
Tax payable	應付稅項		**360,574**	322,283
Borrowings	借款	30	**7,279,814**	7,364,331
Convertible loans	可換股貸款	31	**624,430**	–
Lease liabilities	租賃負債	13B	**77,670**	53,448
Other financial liabilities	其他金融負債	33	**29,171**	10,960
Total current liabilities	流動負債總額		**20,863,603**	16,058,382
NET CURRENT ASSETS	**流動資產淨額**		**3,488,320**	3,610,209
TOTAL ASSETS LESS CURRENT LIABILITIES	**資產總額減流動負債**		**33,619,586**	30,469,180

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
綜合權益變動表

Year ended 31 December 2021
截至2021年12月31日止年度

		Attributable to owners of the Company 本公司擁有人應佔															
		Share capital 股本 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Share option reserve 購股權儲備 RMB'000 人民幣千元	Shares held for share award scheme 股份獎勵計劃所持股份 RMB'000 人民幣千元	Statutory reserve[a] 法定儲備[a] RMB'000 人民幣千元	Capital reserve[b] 資本儲備[b] RMB'000 人民幣千元	Merger reserve 合併儲備 RMB'000 人民幣千元	Hedging reserve 對沖儲備 RMB'000 人民幣千元	Employee defined benefit reserve 僱員界定福利儲備 RMB'000 人民幣千元	Fair value reserve 公允價值儲備 RMB'000 人民幣千元	Exchange fluctuation reserve 匯率波動儲備 RMB'000 人民幣千元	Convertible loans equity reserve 可換股貸款權益儲備 RMB'000 人民幣千元	Retained profits 保留溢利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	Non-controlling interests 非控制權益 RMB'000 人民幣千元	Total equity 權益總額 RMB'000 人民幣千元
At 1 January 2021	於2021年1月1日	135,344	1,905,618	–	(85,440)	2,513,811	(65,726)	5,515	(1,269)	–	(187,478)	168,920	27,605	15,424,227	19,841,127	512,995	20,354,122
Profit for the year	年內溢利	–	–	–	–	–	–	–	–	–	–	–	–	3,044,159	3,044,159	(25,570)	3,018,589
Other comprehensive income for the year	年內其他全面收益	–	–	–	–	–	–	–	3,288	551	(589,216)	(272,863)	–	–	(858,240)	(49,852)	(908,092)
Total comprehensive income for the year	年內全面收益總額	–	–	–	–	–	–	–	3,288	551	(589,216)	(272,863)	–				

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
綜合權益變動表

Year ended 31 December 2021
截至2021年12月31日止年度

		Attributable to owners of the Company 本公司擁有人應佔													
		Share capital 股本 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Shares held for share award scheme 股份獎勵計劃所持股份 RMB'000 人民幣千元	Statutory reserve[a] 法定儲備[a] RMB'000 人民幣千元	Capital reserve[b] 資本儲備[b] RMB'000 人民幣千元	Merger reserve 合併儲備 RMB'000 人民幣千元	Hedging reserve 對沖儲備 RMB'000 人民幣千元	Fair value reserve 公允價值儲備 RMB'000 人民幣千元	Exchange fluctuation reserve 匯率波動儲備 RMB'000 人民幣千元	Convertible loans equity reserve 可換股貸款權益儲備 RMB'000 人民幣千元	Retained profits 保留溢利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	Non-controlling interests 非控制權益 RMB'000 人民幣千元	Total equity 權益總額 RMB'000 人民幣千元
At 1 January 2020	於2020年1月1日	135,344	1,905,618	(85,440)	2,269,514	(87,268)	5,515	–	(384,292)	(205,971)	27,605	12,995,620	16,576,245	518,151	17,094,396
Profit for the year	年內溢利	–	–	–	–	–	–	–	–	–	–	3,750,829	3,750,829	6,560	3,757,389
Other comprehensive income for the year	年內其他全面收益	–	–	–	–	–	–	(1,269)	214,303	374,891	–	–	587,925	32,336	620,261
Total comprehensive income for the year	年內全面收益總額	–	–	–	–	–	–	(1,269)	214,303	374,891	–	3,750,829	4,338,754	38,896	4,377,650
Acquisition of non-controlling interests	收購非控制權益	–	–	–	–	20,988	–	–	–	–	–	–	20,988	(178,293)	(157,305)
Capital contributions from non-controlling interests	非控制權益出資	–	–	–	–	–	–	–	–	–	–	–	–	76,169	76,169
Non-controlling interests arising from business combination	業務合併產生的非控制權益	–	–	–	–	–	–	–	–	–	–	–	–	58,197	58,197
Disposal of subsidiaries	出售附屬公司	–	–	–	–	–	–	–	–	–	–	–	–	(7)	(7)
Transfer of fair value reserve upon the disposal of equity instruments at FVTOCI	出售按公允價值計入其他全面收益的股本工具後轉讓至公允價值儲備	–	–	–	–	–	–	–	(17,489)	–	–	17,489	–	–	–
Dividends recognised as distributions to owners (note 10)	確認為向擁有人分派的股息(附註10)	–	–	–	–	–	–	–	–	–	–	(1,095,414)	(1,095,414)	–	(1,095,414)
Dividends recognised as distributions to non-controlling interests	確認為向非控制權益分派的股息	–	–	–	–	–	–	–	–	–	–	–	–	(118)	(118)
Share of capital reserve of an associate	分佔一間聯營公司的資本儲備	–	–	–	–	554	–	–							

(12048)

CONSOLIDATED STATEMENT OF CASH FLOWS
綜合現金流量表

(81,112) /T1_2 C0552.3Tj /Se

Year ended 31 December 2021
截至2021年12月31日止年度

(171,112)

		Note 附註	2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
OPERATING ACTIVITIES	**經營活動**			
Profit before tax	除稅前溢利		**3,807,282**	4,753,560
Adjustments for:	就以下各項作出調整：			
Interest income	利息收益	5	**(101,341)**	(171,112)
Government grants released	已撥入的政府補助		**(13,000)**	(12,384)
Gain on fair value changes of financial instruments at FVTPL	按公允價值計入損益的金融工具的公允價值變動利益	5	**(199,224)**	(129,294)
Gain on fair value changes of other financial liabilities	其他金融負債公允價值變動利益	5	(à Ð‹• **(8,048)**	(13,348)

(129,294)

Year ended 31 December 2021
截至2021年12月31日止年度

		Note 附註	2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
INVESTING ACTIVITIES	**投資活動**			
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目		**(3,261,176)**	(2,089,657)
Proceeds from disposal of items of other intangible assets and property, plant and equipment	來自出售其他無形資產和物業、廠房及設備項目的所得款項		**121,261**	241,140
Additions to right-of-use assets	使用權資產增加		**(148,828)**	(424,389)
Additions to investment properties	投資物業增加		**(1,024,905)**	(793,904)
Proceeds from disposal of investment properties	出售投資物業所得款項		**547,281**	–
Deposit for right-of-use assets	使用權資產按金		**–**	(29,486)
Additions to other intangible assets	其他無形資產增加		**(18,787)**	(22,371)
Additions to associates	聯營公司增加		**(309,712)**	(777,285)
Acquisitions of subsidiaries	收購附屬公司		**(403,693)**	(142,192)
Proceeds from disposal of subsidiaries	出售附屬公司所得款項		**–**	6,330
Proceeds from disposal of an associate	出售聯營公司所得款項		**–**	5,004
Purchases of other financial assets	購買其他金融資產		**(1,720,002)**	(1,173,923)
Proceeds from disposal of other financial assets	出售其他金融資產所得款項		**1,144,343**	610,542
Investment income received	已收投資收益		**5,508**	17,550
Dividend received from an associate	已收一間聯營公司的股息		**36,973**	34,265
Interest received from other financial assets	已收其他金融資產的利息		**3,381**	46,234
(Increase)/decrease in restricted cash	受限制現金(增加)／減少		**(466,611)**	236,595
Net cash flows used in investing activities	投資活動所用現金流量淨額		**(5,494,967)**	(4,255,547)
FINANCING ACTIVITIES	**融資活動**			
New bank borrowings raised	新增銀行借款		**14,026,396**	16,617,812
Repayment of bank and other loans	償還銀行及其他貸款		**(12,053,618)**	(13,375,042)
Capital contributions from non-controlling interests	非控制權益出資		**163,191**	76,169
Return of investment	投資回報		**(4,475)**	–
Acquisition of non-controlling interests	收購非控制權益		**(204,000)**	(157,305)
Repayment of lease liabilities	償還租賃負債		**(75,339)**	(85,649)
Interest paid	已付利息		**(464,015)**	(421,032)
Dividends paid to the owners of the Company	已付本公司擁有人股息		**(1,278,424)**	(1,095,414)
Dividends paid to non-controlling interests	已付非控制權益股息		**(22,540)**	(118)
Net cash flows from financing activities	融資活動所得現金流量淨額		**87,176**	1,559,421
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**現金及現金等價物(減少)／增加淨額**		**(234,620)**	141,198
Cash and cash equivalents at beginning of the year	年初的現金及現金等價物		**6,442,254**	6,362,444
Effect of foreign exchange rate changes, net	外幣匯率變動的影響淨額		**(33,178)**	(61,388)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	**年末的現金及現金等價物**		**6,174,456**	6,442,254
ANALYSIS OF BALANCES OF CASH AND 粍CASH EQUIVALENTS	**盪金瑙瞪鍠等價物的結餘分析**			
Time ds03>Tj 1.02 0 Td <1 ET EMC q 1 0 0 18xt<FEFF2008q 1 0 0 18<0B24>Tj 1.02 0 Td <0696>Tj 1.02 0 Td <02Vosits with original maturity 281t				

1. CORPORATE AND GROUP INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands. The addresses of its registered office and principal places of business are disclosed in the section headed "Corporate Information" of the annual report.

The Company is an investment holding company. Particulars of the Company's principal subsidiaries, associates and a joint venture are set out in notes 46, 17 and 18 to the consolidated financial statements, respectively.

2.1 BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties,

2.1

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised standards for the first time for the current year's consolidated financial statements.

Amendment to HKFRS 16	Covid-19-Related Rent Concessions
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform — Phase 2

The adoption of the above revised HKFRSs has had no significant financial effect on these consolidated financial statements. The nature and the impact of Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 are described below:

The Group had certain interest-bearing bank borrowings denominated in Hong Kong dollars based on the Hong Kong Interbank Offered Rate ("HIBOR") and United States dollars based on the London Interbank Offered Rate ("LIBOR") as at 31 December 2021. The Group expects that HIBOR will continue to exist and the interest rate benchmark reform has not had an impact on the Group's HIBOR-based borrowings. For the LIBOR-based borrowings, since the interest rates of these instruments were not replaced by risk-free rates ("RFRs") during the year, the amendments did not have any impact on the financial position and performance of the Group. If the interest rates of these borrowings are replaced by RFRs in a future period, the Group will apply the practical expedient upon the modification of these borrowings when the "economically equivalent" criterion is met.

2.2 會計政策及披露事項變動

本集團於本年度的綜合財務報表內首次應用下列經修訂準則。

香港財務報告準則第16號修訂本	2019冠狀病毒病相關租金優惠
香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號修訂本	利率基準改革 — 第2階段

應用上述經修訂香港財務報告準則對該等綜合財務報表並無重大財務影響。香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號修訂本的性質及影響載於下文：

本集團於2021年12月31日持有根據香港銀行同業拆息(「香港銀行同業拆息」)以港元並根據倫敦銀行同業拆息(「倫敦銀行同業拆息」)以美元計值的若干計息銀行借款。本集團預期香港銀行同業拆息將繼續存在，而利率基準改革並未對本集團基於香港銀行同業拆息的借款產生影響。就以倫敦銀行同業拆息為基準的借款，由於該等工具的利率於年內並無被無風險利率(「無風險利率」)代替，因此該項修訂對本集團的財務狀況及表現並無影響。倘該等借款的利率於未來期間由無風險利率代替，本集團將於修改有關借款而符合「經濟上同等」標準時採用可行權宜方法。

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSs

The Group has not early applied the following new and revised standards, that have been issued but are not yet effective, in these consolidated financial statements:

Amendment to HKFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021[1]
Amendments to HKFRS 3	Reference to the Conceptual Framework[2]
Amendments to HKAS 16	Property, Plant and Equipment: Proceeds before Intended Use[2]
Amendments to HKAS 37	Onerous Contracts — Cost of Fulfilling a Contract[2]
Annual Improvements to HKFRSs 2018–2020	Amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16 and HKAS 41[2]
HKFRS 17	Insurance Contracts[3]
Amendments to HKFRS 17	Initial Application of HKFRS 17 and HKFRS 9 — Comparative Information[3]
Amendments to HKFRS 17	Insurance Contracts[3,6]
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current[3,5]
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies[3]
Amendments to HKAS 8	Definition of Accounting Estimates[3]
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction[3]
Amendments to HKFRS 10 and HKAS 28 (2011)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]

1 Effective for annual periods beginning on or after 1 April 2021
2 Effective for annual periods beginning on or after 1 January 2022
3 Effective for annual periods beginning on or after 1 January 2023
4 Mandatory effective date not yet determined
5 As a consequence of the amendments to HKAS 1, Hong Kong Interpretation 5 *Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause* was revised in October 2020 to align the corresponding wording with no change in conclusion
6 As a consequence of the amendments to HKFRS 17 issued in October 2020, HKFRS 4 was amended to extend the temporary exemption that permits insurers to apply HKAS 39 rather than HKFRS 9 for annual periods beginning before 1 January 2023

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, the Group considers that these new and revised HKFRSs may result in changes in accounting policies but are unlikely to have a significant impact on the Group's results of operations and financial position.

2.3 已頒佈但尚未生效的香港財務報告準則

本集團在本綜合財務報表中尚未提早應用下列已頒佈但尚未生效的新訂及經修訂準則：

香港財務報告準則第16號修訂本	於2021年6月30日後的2019冠狀病毒病相關租金優惠[1]
香港財務報告準則第3號修訂本	概念框架指引[2]
香港會計準則第16號修訂本	物業、廠房及設備：擬定用途前之所得款項[2]
香港會計準則第37號修訂本	虧損合約－履行一份合約之成本[2]
香港財務報告準則2018年至2020年週期之年度改進	香港財務報告準則第1號、香港財務報告準則第9號、香港財務報告準則第16號隨附之範例及香港會計準則第41號修訂本[2]
香港財務報告準則第17號	保險合約[3]
香港財務報告準則第17號修訂本	初始應用香港財務報告準則第17號及香港財務報告準則第9號－比較資料[3]
香港財務報告準則第17號修訂本	保險合約[3、6]
香港會計準則第1號修訂本	負債分類為流動或非流動[3、5]
香港會計準則第1號及香港財務報告準則實務報告第2號修訂本	會計政策披露[3]
香港會計準則第8號修訂本	會計估計的定義[3]
香港會計準則第12號修訂本	與單一交易產生的資產及負債相關的遞延稅項[3]
香港財務報告準則第10號及香港會計準則第28號(2011年)修訂本	投資者與其聯營公司或合營企業之間之資產出售或注資[4]

1 於2021年4月1日或之後開始之年度期間生效
2 於2022年1月1日或之後開始之年度期間生效
3 於2023年1月1日或之後開始之年度期間生效
4 尚未釐定強制生效日期
5 由於香港會計準則第1號修訂本的影響、香港詮釋第5號(*財務報表的呈報 — 借款人對載有按要求償還條款的定期貸款的分類*)已於2020年10月修訂，以與相關用字保持一致，而其結論並無影響
6 由於2020年10月頒佈的香港財務報告準則第17號修訂本的影響，香港財務報告準則第4號經已修訂，以延長允許發行人就2023年1月1日或之前開始的年度期間應用香港會計準則第39號而非香港財務報告準則第9號的臨時豁免

本集團正就該等新訂及經修訂香港財務報告準則於初始應用後的影響進行評估。迄今為止，本集團認為，該等新訂及經修訂香港財務報告準則可能會導致會計政策變動，惟不大可能對本集團的經營業績及財務狀況構成重大影響。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in associates and a joint venture are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

The Group's share of the post-acquisition results and other comprehensive income of associates and joint ventures is included in profit or loss and other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associates or joint ventures, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's interests in the associates or joint ventures, except where unrealised losses provide evidence of an impairment of the asset transferred. Goodwill arising from the acquisition of associates or joint ventures is included as part of the Group's investments in associates or joint ventures.

2.4 主要會計政策概要

於聯營公司及合營企業的投資

聯營公司為本集團擁有一般不少於20%股本投票權的長期權益的實體，並可對其發揮重大影響力。重大影響力指參與投資對象的財政及經營決策之權力，而非控制或共同控制該等決策之權力。

合營企業為一項合營安排，據此，擁有安排之共同控制權的人士均有權享有合營企業的淨資產。共同控制乃以合約協定分佔一項安排之控制權，其僅在相關活動決策必須獲分佔控制權的人士一致同意時方存在。

本集團於聯營公司及一間合營企業的投資乃按權益會計法核算，按本集團應佔淨資產扣除任何減值虧損於綜合財務狀況表中呈列。

本集團應佔聯營公司及合營企業收購後業績和其他全面收益分別計入損益及其他全面收益內。此外，倘直接於聯營公司或合營企業的權益確認變動，則本集團會於綜合權益變動表確認其應佔的任何變動(如適用)。本集團與其聯營公司或合營企業進行交易而出現的未實現利益及虧損會按本集團於聯營公司或合營企業的權益互相抵銷，但如果未實現虧損證明所轉讓資產發生減值則除外。收購聯營公司或合營企業產生的商譽計入本集團於聯營公司或合營企業的投資的一部分。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

INTEREST IN JOINT OPERATION

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The assets, liabilities, revenues and expenses relating to the Group's interest in a joint operation are accounted for in accordance with the HKFRSs applicable to the particular assets, liabilities, revenues and expenses.

2.4 主要會計政策概要(續)

於合營業務之權益

合營業務為共同安排，據此，擁有該安排之共同控制權的各方有權享有與該安排有關的資產及就負債承擔責任。共同控制乃以合約協定分佔一項安排之控制權，其僅在相關活動決策必須獲分佔控制權的人士一致同意時方存在。

本集團就其於合營業務之權益確認：

- 其資產，包括分佔任何共同持有之資產；
- 其負債，包括分佔任何共同產生之負債；
- 出售其於合營業務應佔產出之所得收入；
- 出售合營業務產出之應佔收入；及
- 其開支，包括分佔任何共同產生之開支。

本集團於合營業務之權益之有關資產、負債、收入及開支乃根據適用於相關資產、負債、收入及開支之香港財務報告準則入賬。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BUSINESS COMBINATIONS AND GOODWILL

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition-date fair value which is the sum of the acquisition-date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

2.4 主要會計政策概要(續)

業務合併及商譽

業務合併乃以購買法入賬。轉讓之代價乃以收購日期的公允價值計算，該公允價值為本集團轉讓的資產於收購日期的公允價值、本集團自被收購方之前度擁有人承擔的負債，及本集團發行以換取被收購方控制權的股本權益的總和。於各業務合併中，本集團選擇是否以公允價值或被收購方可識別資產淨值的應佔比例，計算屬現時擁有權權益並賦予其持有人有權於清盤時按比例分佔實體的淨資產之被收購方的非控制權益。非控制權益的一切其他成分乃按公允價值計量。收購相關成本於產生時列為開支。

當所取得的一組活動及資產包括一項投入和一項重要過程，而兩者共同對形成產出的能力有重大貢獻，則本集團釐定為業務收購。

當本集團收購一項業務時，會根據合約條款、於收購日期的經濟環境及相關條件，評估將承接的金融資產及負債，以作出適當的分類及標示，其中包括分離被收購方主合約中的嵌入式衍生工具。

倘業務合併分階段進行，以往持有的股本權益會以收購日期的公允價值重新計量，任何因此帶來的利益或虧損於損益中確認。

將由收購方轉讓的任何或然代價於收購日期按公允價值確認。或然代價(分類為資產或負債)按公允價值計量，而公允價值變動則於損益確認。分類為權益之或然代價並不會重新計量，其後結算於權益中入賬。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BUSINESS COMBINATIONS AND GOODWILL (Continued)

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group will perform its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

2.4 主要會計政策概要(續)

業務合併及商譽(續)

商譽初始按成本計量，即已轉讓代價、已確認非控制權益金額及本集團先前持有被收購方股本權益的任何公允價值之總額超出所收購可識別資產及所承擔負債的差額。倘此代價及其他項目的總和低於所收購淨資產的公允價值，則再評估後的差額於損益確認為議價收購所得利益。

於初始確認後，商譽按成本減任何累計減值虧損計量。商譽須每年進行減值測試，若有事件發生或情況改變顯示賬面值可能減值，則會更頻密地進行測試。本集團將於12月31日進行商譽的年度減值測試。為進行減值測試，無論本集團其他資產或負債是否已分配至現金產生單位或現金產生單位組別，因業務合併而購入的商譽自收購日期起分配至預期可從合併產生的協同效益中獲益的本集團各現金產生單位或現金產生單位組別。

減值乃通過評估與商譽有關的現金產生單位(現金產生單位組別)的可收回金額釐定。當現金產生單位(現金產生單位組別)的可收回金額低於賬面值時，則確認減值虧損。已確認商譽減值虧損不得於其後期間撥回。

倘商譽已分配至現金產生單位(或現金產生單位組別)而該單位的部分業務已出售，則與所出售業務相關的商譽會在釐定出售的利益或虧損時計入該業務的賬面值。在該等情況下出售的商譽，乃根據所出售業務的相對價值及現金產生單位的保留份額計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FAIR VALUE MEASUREMENT

The Group measures its investment properties, other financial assets, asset held for sale and other financial liabilities at fair value at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2.4 主要會計政策概要(續)

公允價值之計量

本集團於各報告期末按公允價值計量其投資物業、其他金融資產、持作出售資產及其他金融負債。

公允價值為市場參與者於計量日期在有序交易中出售資產所收取的價格或轉讓負債所支付的價格。公允價值計量乃假設出售資產或轉讓負債的交易於資產或負債主要市場或(在無主要市場情況下)最具優勢市場進行而作出。主要或最具優勢市場須為本集團可進入之市場。資產或負債的公允價值乃基於市場參與者於資產或負債定價所用的假設計量(即假設市場參與者會以最佳經濟利益行事)。

非金融資產的公允價值計量須計及市場參與者透過最大限度使用該資產達致最佳用途，或將該資產出售予將最大限度使用該資產達致最佳用途的其他市場參與者以產生經濟利益的能力。

本集團採納適用於不同情況且具備充分數據以供計量公允價值的估值方法，以盡量使用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

所有於本綜合財務報表計量或披露公允價值的資產及負債乃基於對公允價值計量整體而言屬重大的最低層輸入數據按以下公允價值層級分類：

第一級 — 基於相同資產或負債於活躍市場的報價(未經調整)

第二級 — 按估值方法計量，而對公允價值計量而言屬重大的最低層輸入數據可直接或間接觀察得出

第三級 — 按估值方法計量，而對公允價值計量而言屬重大的最低層輸入數據不可觀察得出

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FAIR VALUE MEASUREMENT (Continued)

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

IMPAIRMENT OF NON-FINANCIAL ASSETS

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, contract assets, deferred tax assets and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to

2.4 主要會計政策概要(續)

公允價值之計量(續)

就按經常性基準於本綜合財務報表確認的資產及負債而言，本集團透過於各報告期末重新評估分類(基於對公允價值計量整體而言屬重大的最低層輸入數據)確定是否發生不同層級轉移。

非金融資產減值

倘資產存在減值跡象或須進行年度減值測試(存貨、合約資產、遞延稅項資產及金融資產除外)，則會就該項資產的可收回金額作出估計。資產的可收回金額為資產或現金產生單位的可使用價值與其公允價值減出售成本兩者中之較高者，並就個別資產而釐定，除非該項資產並不產生在頗大程度上獨立於其他資產或資產組別的現金流入，在此情況下，可收回金額以該項資產所屬的現金產生單位釐定。於對現金產生單位進行減值測試時，倘其可按合理且一致基準分配，則公司資產(如總部大樓)的一部分賬面值分配至個別現金產生單位，否則分配至現金產生單位最小組別。

資產的賬面值超逾其可收回金額時則確認減值虧損。於評估可使用價值時，估計未來現金流量將以除稅前貼現率折讓至現值，該貼現率反映現時市場對貨幣時間值及該項資產的特定風險的評估。減值虧損將於其產生期間於損益內與減值資產的功能一致的開支類別中扣除。

於各報告期末會評估是否有跡象顯示於過往確認的減值虧損可能不再存在或可能已減少。倘存在有關跡象，則會就有關可收回金額作出估計。僅於用以釐定資產的可收回金額的估計出現變動時，過往確認商譽以外的資產的減值虧損方可撥回，但撥回金額不得高於假設過往年度並無就該資產確認減值虧損而應有之賬面值(扣除任何折舊／攤銷)。該減值虧損的撥回於其產生期間計入損益內。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

RELATED PARTIES

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person

(i) has control or joint control of the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

2.4 主要會計政策概要(續)

關聯人士

於下列情況下，有關人士將被視為本集團的關聯人士：

(a) 某個別人士或其親密家庭成員，而該名人士

(i) 控制或共同控制本集團；

(ii) 對本集團具重大影響；或

(iii) 為本集團或本集團母公司的主要管理層成員；

或

(b) 有關人士為實體且符合下列任何條件：

(i) 該實體與本集團屬同一集團之成員；

(ii) 一間實體為另一實體(或屬另一實體的母公司、附屬公司或同系附屬公司)的聯營公司或合營企業；

(iii) 該實體及本集團均為同一第三方的合營企業；

(iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；

(v) 該實體為離職後福利計劃，該計劃的受益人為本集團或與本集團有關的實體的僱員；

(vi) 該實體由(a)項所述人士控制或共同控制；

(vii) 於(a)(i)項所述人士對該實體有重大影響或屬該實體(或該實體的母公司)主要管理層成員；及

(viii) 該實體或其所屬集團的任何成員公司向本集團或本集團之母公司提供主要管理人員服務。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis and the units of production basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Freehold land	Not depreciated
Land and buildings	2.0% to 4.8%
Plant and machinery	4.8% to 20.0%, or units of production basis
Furniture, fixtures and office equipment	4.8% to 32.3%
Vehicles	4.3% to 23.8%
Leasehold improvements	Over the shorter of the lease terms and 20.0%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

2.4 主要會計政策概要(續)

物業、廠房及設備之折舊

除在建工程外，物業、廠房及設備按成本減累計折舊及任何減值虧損列賬。物業、廠房及設備項目的成本包括其購買價及使資產處於擬定用途的運作狀況及地點而產生的任何直接成本。

物業、廠房及設備項目投入運作後產生的支出(例如維修及保養)，一般於其產生期間自損益內扣除。倘能夠符合確認標準，重大檢查的開支會於資產賬面值中資本化為替換。倘物業、廠房及設備的主要部分須定期替換，本集團會確認該等部分為有特定使用年期的個別資產及相應計提折舊。

折舊以直線法及產量法計算，按每項物業、廠房及設備項目的估計使用年期撇銷其成本至其剩餘價值。為此目的而主要使用的每年折舊率如下：

永久業權土地	並無折舊
土地及樓宇	2.0%至4.8%
廠房及機器	4.8%至20.0%，或按產量法
家具、裝置及辦公室設備	4.8%至32.3%
運輸工具	4.3%至23.8%
租賃物業裝修	按租期與20.0%兩者中的較短者

倘物業、廠房及設備項目的部分有不同的可使用年期，則該項目的成本須在各部分之間合理分配，而各部分須單獨計算折舊。剩餘價值、可使用年期和折舊方法至少於各財政年度末檢討一次，並在適當情況下作出調整。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION (Continued)

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the period the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represents buildings and other assets under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost represents the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

INVESTMENT PROPERTIES

Investment properties are interests in land and buildings (including the leasehold property held as a right-of-use asset which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of the retirement or disposal.

2.4 主要會計政策概要(續)

物業、廠房及設備之折舊(續)

物業、廠房及設備項目(包括初始確認的任何重要部分)於出售時或於預期使用或出售時無法產生未來經濟利益的情況下終止確認。於終止確認資產的期間在損益內確認的任何出售或報廢利益或虧損，為有關資產銷售所得款項淨額與其賬面值的差額。

在建工程指建築工程尚在進行中的樓宇及其他資產，並按成本減去任何減值虧損入賬，但不會折舊。成本指建築期間產生的直接建築成本及有關借貸資金的資本化借貸成本。在建工程於工程完成後並備用時，將重新歸入物業、廠房及設備的適當類別。

投資物業

投資物業乃持作賺取租金收入及／或作資本增值之土地及樓宇權益(包括可能符合投資物業定義之持作使用權資產之租賃物業)，而非用於生產或供應貨品或服務；或非用作行政用途；或非作日常業務中之銷售。當中包括就尚未決定未來用途持有之土地及興建中或已發展作未來投資物業之物業。該等物業初步按成本(包括交易成本)計量。於初始確認後，投資物業以反映於報告期末市況之公允價值入賬。

投資物業公允價值變動利益或虧損於產生之年度計入損益。

投資物業報廢或出售時產生的任何利益或虧損於報廢或出售之年度於損益中確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

NON-CURRENT ASSETS AND DISPOSAL GROUPS HELD FOR SALE

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sales transaction rather than through continuing use. For this to be the case, the asset or disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets or disposal groups and its sale must be highly probable. All assets and liabilities of a subsidiary classified as a disposal group are reclassified as held for sale regardless of whether the Group retains a non-controlling interest in its former subsidiary after the sale.

Non-current assets and disposal groups (other than investment properties and financial assets) classified as held for sale are measured at the lower of their carrying amounts and fair values less costs to sell. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortised.

2.4 主要會計政策概要(續)

非流動資產及持作出售之出售組別

倘非流動資產及出售組別的賬面值將主要透過出售交易而非持續使用來收回，則將該等非流動資產及出售組別分類為持作出售。於此情況下，資產或出售組別須可按出售有關資產或出售組別的一般及慣常條款以現況即時出售，且出售的可能性很高。不論本集團於出售後是否保留其前附屬公司的非控股權益，分類為出售組別的附屬公司的所有資產及負債均重新分類為持作出售。

分類為持作出售的非流動資產及出售組別(投資物業及金融資產除外)按其賬面值與公允價值減出售成本的較低者計量。分類為持作出售的物業、廠房及設備以及無形資產不計提折舊或攤銷。

2.4 主要會計政策概要(續)

無形資產(商譽除外)

個別收購的無形資產於初始確認

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

INTANGIBLE ASSETS (OTHER THAN GOODWILL) (Continued)

Trademark, brand name and operating concession rights

Trademark, brand name and operating concession rights with indefinite useful lives acquired are stated at cost less any impairment losses and are not amortised. The useful life of such an asset should be reviewed at the end of each reporting period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite should be accounted for as a change in an accounting estimate.

The Group is required to test an intangible asset with an indefinite useful life for impairment by comparing its recoverable amount with its carrying amount (a) annually, and (b) whenever there is an indication that the intangible asset may be impaired.

Trademark, brand name and operating concession rights with useful lives are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 5 years to 24 years.

LEASES

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

2.4 主要會計政策概要(續)

無形資產(商譽除外)(續)

商標、商號及特許經營權

收購的無限可使用年期的商標、商號及特許經營權按成本減任何減值虧損列賬，且將不予攤銷。該資產的可使用年期須於各報告期末審閱，以釐定事件及情況能否繼續支持該資產的無限可使用年期評估。倘不繼續支持，則可使用年期評估由無限更改為有限並按會計估計變動列賬。

(a)每年及(b)不論是否出現無形資產可能減值的跡象，本集團須對無限可使用年期的無形資產進行減值測試，方法為比較其可收回金額與賬面值。

具可使用年期的商標、商號及特許經營權以成本減任何減值虧損列賬，並以直線法按其估計可使用年期5年至24年攤銷。

租賃

本集團於合約開始時評估合約是否屬於或包含租賃。倘合約將可識別資產於一段時間內之使用控制權有償轉讓，則該合約為租賃或包含租賃。

本集團作為承租人

本集團就所有租賃應用單一確認及計量方法，惟短期租賃及低價值資產租賃除外。本集團確認作出租賃付款的租賃負債及使用權資產(即使用相關資產的權利)。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

LEASES (Continued)

Group as a lessee (Continued)

(a) *Right-of-use assets*

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The cost of a right-of-use asset also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Leasehold land	10 to 50 years
Plants and buildings	1 to 10 years
Vehicles	1 to 3 years
Other equipment	1 to 5 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of

2.4 主要會計政策概要(續)

租賃(續)

本集團作為承租人(續)

(a) *使用權資產*

使用權資產於租賃開始日期(即相關資產可供使用日期)確認。使用權資產按成本減任何累計折舊及任何減值虧損計量，並就任何重新計量租賃負債作出調整。使用權資產的成本包括已確認之租賃負債金額、已產生之初始直接成本以及於開始日期或之前作出的租賃付款減已收取之任何租賃優惠。使用權資產的成本亦包括拆卸及移除相關資產，或還原相關資產或其所在地產生的估計成本。使用權資產於租期及資產的估計可使用年期(以較短者為準)內按直線法折舊，如下：

租賃業權土地	10至50年
廠房及樓宇	1至10年
運輸工具	1至3年
其他設備	1至5年

倘租賃資產的擁有權於租期結束時轉讓予本集團或成本反映購買權的行使，則利用資產的估計可使用年期計算折舊。

當使用權資產符合投資物業的定義時，計入投資物業。相應的使用權資產初步按成本計量，其後根據本集團的「投資物業」政策按公允價值計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

LEASES (Continued)

Group as a lessee (Continued)

(b) *Lease liabilities*

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

2.4 主要會計政策概要(續)

租賃(續)

本集團作為承租人(續)

(b) *租賃負債*

租賃負債於租賃開始日期按租期內將支付租賃款的現值確認。租賃款包含固定款項(包括實質固定款項)減任何應收租賃優惠、倚賴於指數或利率的可變租賃款以及剩餘價值擔保下預計支付的金額。租賃款亦包含本集團合理確定將予行使的購買權的行使價，以及倘租期反映本集團行使選擇權終止租賃，終止租賃的罰款。不倚賴於指數或利率的可變租賃款於引致付款之事件或條件發生的期間內確認為開支。

於計算租賃款的現值時，由於租賃隱含的利率不易確定，故本集團於租賃開始日期使用增量借款利率。開始日期後，租賃負債金額的增加及減少將分別反映利息的增加及所付租賃款。此外，倘出現修訂、租期變動、租賃款變動(例如由指數或利率變動引致的未來租賃款變動)或相關資產購買權的評估變動，則租賃負債的賬面值將重新計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

LEASES (Continued)

Group as a lessee (Continued)

(c) *Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to its short-term leases of plants and buildings (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are accounted for as finance leases.

When the Group is an intermediate lessor, a sublease is classified as a finance lease or operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the on-balance sheet recognition exemption, the Group classifies the sublease as an operating lease.

2.4 主要會計政策概要(續)

租賃(續)

本集團作為承租人(續)

(c) *短期租賃及低價值資產的租賃*

本集團應用短期租賃確認豁免於其廠房及樓宇的短期租賃(即自開始日期起該等租賃的租賃期為12個月或以內且並無包含購買選擇權)。其亦應用低價值資產租賃確認豁免於被認為低價值的辦公設備及筆記本電腦的租賃。

短期租賃及低價值資產租賃的租賃付款於租賃期內按直線法確認為開支。

本集團作為出租人

當本集團作為出租人，則於租賃開始時(或出現租賃修訂時)將其每項租賃分為經營租賃或融資租賃。

如本集團並未轉移資產擁有權附帶之絕大部分風險及回報之租賃，均分類為經營租賃。如合約包含租賃和非租賃部分，本集團按相對獨立售價基準將合約代價分配至各個部分。租金收益於租賃期按直線法入賬並由於其經營性質於損益內計入收入。磋商及安排經營租賃所產生之初始直接成本會加入租賃資產賬面值，並按與租金收益相同之基準於租賃期內確認。或然租金於賺取期間確認為收入。

凡將相關資產的擁有權附帶的絕大部分風險與回報轉讓至承租人的租賃均列為融資租賃。

如本集團為出租中介，則參考總租賃產生的使用權資產將轉租賃分類為融資租賃或經營租賃。如總租賃為本集團採用資產負債表內確認豁免的短期租賃，則本集團將轉租賃分類為經營租賃。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

INVESTMENTS AND OTHER FINANCIAL ASSETS

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, FVTOCI and FVTPL.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade and bills receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs. Trade and bills receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or FVTOCI, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at FVTPL, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at FVTOCI are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at FVTPL.

2.4 主要會計政策概要(續)

投資及其他金融資產

初始確認及計量

金融資產於初始確認時分類為其後按攤銷成本計量、按公允價值計入其他全面收益及按公允價值計入損益。

於初始確認時，金融資產分類視乎金融資產的合約現金流量特徵及本集團管理該等金融資產的業務模式而定。除並無包含重大融資成分的貿易應收款項及票據或本集團已就貿易應收款項及票據應用不調整重大融資成分影響的可行權宜方法外，本集團初始按公允價值(倘為並非按公允價值計入損益的金融資產則另加交易成本)計量金融資產。並無包含重大融資成分或本集團已應用可行權宜方法的貿易應收款項及票據根據香港財務報告準則第15號(按照下文「收入確認」所載的政策)釐定的交易價格計量。

為將金融資產按攤銷成本或按公允價值計入其他全面收益進行分類及計量，金融資產需產生純粹為支付本金及未償還本金之利息(「純粹支付本金及利息」)的現金流量。現金流量並非純粹支付本金及利息之金融資產按公允價值計入損益進行分類及計量，而不論業務模式。

本集團管理金融資產的業務模式指其如何管理金融資產以產生現金流量。業務模式釐定現金流量會否產生自收取合約現金流量、出售金融資產，或兩者兼有。按攤銷成本進行分類及計量的金融資產按持有金融資產以收取合約現金流量的業務模式持有，而按公允價值計入其他全面收益進行分類及計量的金融資產按旨在持有金融資產以收取合約現金流量及出售金融資產的業務模式持有。並非按上述業務模式持有的金融資產為按公允價值計入損益進行分類及計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

INVESTMENTS AND OTHER FINANCIAL ASSETS (Continued)

Initial recognition and measurement (Continued)

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

For debt instruments at FVTOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

初始確認及計量(續)

所有以日常買賣之金融資產，均按交易日(即本集團承諾買賣該資產的日期)確認。日常買賣乃指須於市場規定或慣例一般所訂的期間內交付資產的金融資產買賣。

其後計量

金融資產的其後計量視乎下述分類而定：

按攤銷成本列賬的金融資產

按攤銷成本列賬的金融資產其後以實際利率法計量，並受減值影響。當資產終止確認、修訂或減值時，利益及虧損於損益確認。

按公允價值計入其他全面收益的金融資產(債務工具)

就按公允價值計入其他全面收益的債務工具而言，利息收益、外匯重估及減值虧損或撥回於損益確認，並按與按攤銷成本計量的金融資產相同的方式計量。其餘公允價值變動於其他全面收益確認。於終止確認時，於其他全面收益確認的累計公允價值變動結轉至損益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

INVESTMENTS AND OTHER FINANCIAL ASSETS (Continued)

Subsequent measurement (Continued)

Financial assets designated at fair value through other comprehensive income (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at FVTOCI when they meet the definition of equity under HKAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity instruments designated at FVTOCI are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at FVTPL are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in profit or loss.

This category includes derivative instruments and equity instruments which the Group had not irrevocably elected to classify at FVTOCI. Dividends on equity instruments classified as financial assets at FVTPL are also recognised as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

其後計量(續)

指定為按公允價值計入其他全面收益的金融資產(股本工具)

於初始確認時，當股權投資符合香港會計準則第32號*金融工具：呈報*對股本的定義及並非持作買賣時，本集團可選擇不可撤銷地將其股權投資分類為指定為按公允價值計入其他全面收益的股本工具。分類乃按個別工具基準釐定。

該等金融資產的利益及虧損概不會結轉至損益。當付款權利已確立，而與股息有關的經濟利益可能流入本集團，且股息金額能可靠地計量，則股息於損益確認為其他收益，惟當本集團自作為收回金融資產部分成本的所得款項獲益時則除外，而於此情況下，有關利益於其他全面收益入賬。指定為按公允價值計入其他全面收益的股本工具毋須進行減值評估。

按公允價值計入損益之金融資產

按公允價值計入損益的金融資產按公允價值於綜合財務狀況表列賬，而公允價值變動淨額於損益確認。

此分類包括本集團並無選擇分類為按公允價值計入其他全面收益的衍生工具及股本工具。當付款的權利已確立，而與股息有關的經濟利益可能流入本集團，且股息金額能可靠計量時，分類為按公允價值計入損益的金融資產的股本工具股息亦於損益確認為其他收益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

DERECOGNITION OF FINANCIAL ASSETS

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 主要會計政策概要(續)

終止確認金融資產

金融資產(或如適用，金融資產的一部分或一組類似金融資產的一部分)主要會於以下情況終止確認(即從本集團的綜合財務狀況表刪除)：

- 自資產收取現金流量的權利已經屆滿；或
- 本集團已轉讓其自資產收取現金流量的權利或已承擔根據「轉讓」安排在並無重大延誤下將所收取現金流量全數支付予第三方的責任；及(a)本集團已轉讓該資產的絕大部分風險及回報；或(b)本集團並無轉讓或保留該資產的絕大部分風險及回報，但已轉讓該資產的控制權。

當本集團已轉讓其自資產收取現金流量的權利或已訂立轉讓安排，其會評估有否保留該資產擁有權的風險及回報，以及其程度。當本集團並無轉讓或保留該資產的絕大部分風險及回報及並無轉讓該資產的控制權，本集團以本集團持續參與程度為限繼續確認已轉讓資產。在此情況下，本集團亦確認相關負債。已轉讓資產及相關負債乃按反映本集團已保留的權利及責任為基準計量。

以已轉讓資產擔保方式的持續參與按資產原賬面值與本集團可能被要求償還的代價的最高金額之間的較低者計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

IMPAIRMENT OF FINANCIAL ASSETS

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.4 主要會計政策概要(續)

金融資產減值

本集團就並非按公允價值計入損益的所有債務工具確認預期信貸虧損(「預期信貸虧損」)撥備。預期信貸虧損乃基於根據合約應付的合約現金流量與本集團預期收取的所有現金流量之間的差額，並按接近原有實際利率貼現。預期現金流量將包括出售所持抵押品或合約條款所包含的其他信貸增強措施所得的現金流量。

一般方法

預期信貸虧損分兩個階段確認。就自初始確認以來信貸風險並無大幅增加的信貸風險而言，會為未來12個月內的可能違約事件所產生的信貸虧損計提預期信貸虧損撥備(12個月預期信貸虧損)。就自初始確認以來信貸風險大幅增加的信貸風險而言，不論違約時間如何，須就預期於風險餘下存續期內的信貸虧損計提虧損撥備(整個存續期預期信貸虧損)。

於各報告日期，本集團評估自初始確認後金融工具的信貸風險是否大幅增加。於進行評估時，本集團將於報告日期金融工具發生違約的風險與初始確認日期金融工具發生違約的風險進行比較，並考慮所有毋須付出不必要成本或努力即可獲得的合理支持資料，包括歷史及前瞻性資料。

當合約付款已逾期90天，本集團認為金融資產將會違約。可是，於某些情況下，倘內部或外部資料顯示在並無計及本集團任何信貸增強措施前，本集團不大可能悉數收到未償還合約款項，本集團亦可能認為金融資產將會違約。於無法合理預期收回合約現金流量時撇銷金融資產。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

IMPAIRMENT OF FINANCIAL ASSETS (Continued)

General approach (Continued)

Debt instruments at FVTOCI and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade and bills receivables and contract assets which apply the simplified approach as detailed below.

Stage 1 — Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 — Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 — Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade and bills receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For trade and bills receivables that contain a significant financing component, the Group chooses as its accounting policy to adopt the simplified approach in calculating ECLs with policies as described above.

2.4 主要會計政策概要(續)

金融資產減值(續)

一般方法(續)

按公允價值計入其他全面收益的債務工具及按攤銷成本列賬的金融資產在一般方法下受減值影響，並就計量預期信貸虧損分為以下階段，惟下列應用簡化方法的貿易應收款項及票據和合約資產除外。

第一階段 — 自初始確認起信貸風險未顯著增加，且其虧損撥備乃按相等於12個月預期信貸虧損的金額計量的金融工具

第二階段 — 自初始確認起信貸風險顯著增加但並非信貸減值金融資產，且其虧損撥備乃按相等於整個存續期預期信貸虧損的金額計量的金融工具

第三階段 — 於報告日期為信貸減值(但並非購買或原先信貸減值)且其虧損撥備乃按相等於整個存續期預期信貸虧損的金額計量的金融資產

簡化方法

就並無包含重大融資成分或本集團應用可行權宜方法不調整重大融資成分影響的貿易應收款項及票據和合約資產而言，本集團應用簡化方法計算預期信貸虧損。根據簡化方法，本集團並無追蹤信貸風險的變化，而於各報告日期根據整個存續期預期信貸虧損確認虧損撥備。本集團已根據其歷史信貸虧損經驗建立撥備矩陣，並就債務人及經濟環境的特定前瞻性因素作出調整。

就包含重大融資成分的貿易應收款項及票據而言，本集團選擇採納簡化方法為其會計政策以計算預期信貸虧損(如上文所述政策)。

2.4 主要會計政策概要(續)

金融負債

初始確認及計量

金融負債於初始確認時分類為按公允價值計入損益的金融負債、貸款及借款、應付款項，或於有效對沖中指定為對沖工具的衍生工具(如適用)。

所有金融負債初始按公允價值確認，倘為貸款及借款以及應付款項，則扣除直接應佔交易成本。

本集團金融負債包括貿易應付款項及其他應付款項、貸款及借款(包括銀行透支)、可換股貸款、租賃負債及其他金融負債。

其後計量

金融負債的其後計量視乎下述分類而定：

按公允價值計入損益的金融負債

按公允價值計入損益的金融負債包括持作買賣的金融負債及於初始確認時指定為按公允價值計入損益的金融負債。

倘為於近期購回而產生金融負債，則金融負債分類為持作買賣。此類別亦包括本集團所訂立於香港財務報告準則第9號所界定的對沖關係中並無指定為對沖工具的衍生金融工具。獨立嵌入式衍生工具亦分類為持作買賣，惟指定為有效對沖工具的衍生工具則除外。

持作買賣的負債利益或虧損確認於損益。已於損益確認的公允價值淨利益或淨虧損並不包括任何該金融負債的利息。

於初始確認時指定為按公允價值計入損益的金融負債於初始確認日期指定，並僅於符合香港財務報告準則第9號標準的情況下方會進行。

2.4 主要會計政策概要(續)

金融負債(續)

其後計量(續)

按攤銷成本列賬的金融負債(貸款及借款)

[illegible]，計息貸款及借款其後以實際利率(「實際利率」)法按攤銷成本

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

OFFSETTING OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

DERIVATIVE FINANCIAL INSTRUMENTS

Initial recognition and subsequent measurement

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which case the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Embedded derivatives

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

INVENTORIES

Inventories are stated at the lower of cost and net realisable value.

Manufacturing and trading

Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Property development

Cost comprises land costs, construction costs, borrowing costs, professional fees and other costs directly attributable to such properties incurred during the development period.

2.4 主要會計政策概要(續)

抵銷金融工具

倘若現時存在可強制執行的法定權利以抵銷已確認金額，且亦有意以淨額結算，或同時變現資產及償還負債，則金融資產及金融負債可互相抵銷，並將淨額於綜合財務狀況表內呈報。

衍生金融工具

初始確認及其後計量

衍生工具於衍生工具合約訂立當日按公允價值初始確認，其後於報告期末按其公允價值重新計量。所得利益或虧損即時確認於損益，除非該衍生工具指定為有效對沖工具，於此情況下，則視乎對沖關係之性質決定於損益確認之時間。

嵌入式衍生工具

非衍生工具主合約中之嵌入式衍生工具在符合衍生工具定義時，且其風險及特性與主合約所載者並無緊密關聯，及主合約並不按公允價值計入損益計量，則被視為獨立衍生工具。

存貨

存貨按成本與可變現淨值兩者中的較低者入賬。

製造和貿易

成本乃以加權平均法釐定，而就在產品及產成品而言，成本包括直接原料、直接勞工及適當比例的固定開支。可變現淨值則按預計售價減完成及出售時所產生的任何估計成本釐定。

物業發展

成本包括土地成本、建設成本、借貸成本、專業費用及該等物業於開發期間直接產生的其他成本。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and demand deposits, and short-term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of cash management.

PROVISIONS

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in profit or loss.

The Group provides for warranties in relation to the sale of certain industrial products and the provision of construction services for general repairs of defects occurring during the warranty period. Provisions for these assurance-type warranties granted by the Group are recognised based on sales volume and past experience of the level of repairs and returns, discounted to their present values as appropriate.

INCOME TAX

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

2.4 主要會計政策概要(續)

現金及現金等價物

現金及現金等價物包括現金及活期存款，以及可隨時轉換為已知數額現金、價值變動風險極低及一般自購入後三個月內到期的短期高流動性投資，但須扣減應要求即時償還及構成現金管理組成部分的銀行透支。

撥備

倘因過往事件導致現有債務(法定或推定)及日後可能需要有資源流出以償還債務，則確認撥備，但必須能可靠估計有關債務金額。

倘折現的影響重大，則就撥備確認的金額為預期需用作償還債務的未來支出於報告期末的現值。因時間流逝而產生的折現現值增額會計入損益內的融資成本。

於保修期間，本集團就銷售若干工業產品及提供建築服務發生的缺陷提供一般維修的擔保。就本集團提供該等保證型擔保而作出的撥備乃根據銷量以及過往維修及退貨程度經驗確認，並貼現至其現值(如適當)。

所得稅

所得稅包括即期及遞延稅項。與並非於損益賬確認的項目有關的所得稅會在並非損益賬的其他全面收益內或直接在權益內確認。

即期稅項資產及負債按預期獲稅務機構退回或向稅務機構支付的款項計量。計量的基準為報告期末已實行或已實際執行的稅率(及稅法)，亦考慮本集團經營所在國家現行的詮釋及慣例。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

INCOME TAX (Continued)

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, joint ventures and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, joint ventures and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2.4 主要會計政策概要(續)

所得稅(續)

遞延稅項乃採用負債法就報告期末資產及負債的稅基與其用作財務呈報的賬面值之間的所有暫時差額作出撥備。

遞延稅項負債乃就所有應課稅暫時差額而確認，惟下列情況除外：

- 在交易時不影響會計溢利或應課稅溢利或虧損的非業務合併交易中，初始確認商譽或資產或負債時產生的遞延稅項負債；及
- 就與於附屬公司、合營企業及聯營公司的投資有關的應課稅暫時差額而言，暫時差額的撥回時間可以控制，且該等暫時差額於可見將來可能不會被撥回。

遞延稅項資產乃就所有可扣稅暫時差額、未動用稅項抵免和任何未動用稅項虧損的結轉而確認。倘日後很可能有應課稅溢利可供抵銷可扣稅暫時差額、未動用稅項抵免和未動用稅項虧損的結轉，則會確認遞延稅項資產，惟下列情況除外：

- 在交易時不影響會計溢利或應課稅溢利或虧損的非業務合併交易中，初始確認資產或負債時產生與可扣除暫時差額有關的遞延稅項資產；及
- 就與於附屬公司、合營企業及聯營公司的投資有關的可扣稅暫時差額而言，遞延稅項資產僅於暫時差額於可見將來有可能撥回且應課稅溢利將可用以抵銷暫時差額的情況下，方予確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

INCOME TAX (Continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

GOVERNMENT GRANTS

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the period that the costs, for which it is intended to compensate, are expensed. Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

2.4 主要會計政策概要(續)

所得稅(續)

遞延稅項資產的賬面值於各報告期末作出檢討，並在不再有足夠應課稅溢利以供對銷全部或部分遞延稅項資產時予以扣減。未確認的遞延稅項資產會於各報告期末重新評估，並在可能有足夠應課稅溢利以收回全部或部分遞延稅項資產時予以確認。

遞延稅項資產及負債乃按預期適用於變現資產或清還負債期間的稅率計量，並以報告期末已實行或已實際執行的稅率(及稅法)為基準。

遞延稅項資產與遞延稅項負債僅可在以下情況對銷：本集團依法有強制執行權可以將即期稅項資產與即期稅項負債對銷；而且遞延稅項資產與遞延稅項負債是關於同一稅務機關所徵收的所得稅，不論是對同一應課稅實體或不同應課稅實體徵收的所得稅，也不論應課稅實體計劃於各段未來期間(期間預期將結清或收回大額的遞延稅項負債或資產)以淨額基準結算即期稅項負債及資產或同時實現資產及結清負債。

政府補助

政府補助於可合理確定將可收取補助並且符合所有附帶條件時，按公允價值確認入賬。該項補助如與開支項目有關，則於該項補助擬補貼的成本開銷期間有系統地確認為收益。該項補助如與資產有關，則按公允價值計入遞延收益賬項，再於有關資產的預計可使用年期內按等額每年分期計入損益內。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

REVENUE RECOGNITION (Continued)

Revenue from contracts with customers (Continued)

(b) *Construction services*

Revenue from the provision of construction services is recognised over time, using an input method to measure progress towards complete satisfaction of the service, because the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced. The input method recognises revenue based on the proportion of the actual costs incurred relative to the estimated total costs for satisfaction of the construction services.

Claims to customers are amounts that the Group seeks to collect from the customers as reimbursement of costs and margins for scope of works not included in the original construction contract. Claims are accounted for as variable consideration and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Group uses the expected value method to estimate the amounts of claims because this method best predicts the amount of variable consideration to which the Group will be entitled.

(c) *Provision of sewage, hazardous waste treatment and related environmental protection services*

Revenue from the provision of sewage, hazardous waste treatment and related environmental protection services is recognised when the relevant services have been rendered.

2.4 主要會計政策概要(續)

收入確認(續)

來自客戶合約的收入(續)

(b) *建築服務*

提供建築服務的收入隨時間推移確認，且使用投入法對完成履行服務的進度計量，乃由於本集團於履行服務時創造或改良客戶在資產被創造或改良時已控制的資產。投入法根據所產生實際成本佔履行建築服務總估計成本的比例確認收入。

向客戶申索是本集團尋求向客戶收取作為原有建築合約中未包括的工程範圍的成本及差額的補償。申索以可變代價入賬並受其約束，直至其後與可變代價相關的不確定性消除時確認的累計收入金額極有可能不會發生收入大幅撥回。本集團使用預期價值法估計申索金額，乃由於此方法最有效預測本集團將有權獲得的可變代價金額。

(c) *提供污水、危險廢品處理及相關環保服務*

提供污水、危險廢品處理及相關環保服務的收入於提供相關服務時確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

CONTRACT LIABILITIES

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

EMPLOYEE BENEFITS

Pension schemes

In accordance with the relevant laws and regulations, the Group's employees participate in various defined contribution plans and state-management retirement benefit plans in the countries in which the Group operates. Payments to these plans, where the Group's obligations under them are equivalent to a defined contribution plan, are recognised as an expense when employees have rendered service entitling them to the contributions.

Housing benefits, medical insurances and other social insurances

PRC employees of the Group are entitled to participate in various government-supervised housing funds, medical insurances and other social insurance plans. The Group contributes to these funds based on certain percentages of the salaries of these employees on a monthly basis. The Group's liability in respect of these funds is limited to the contribution payable in each period. Contributions to the housing funds, medical insurances and other social insurances are expensed as incurred.

2.4 主要會計政策概要(續)

合約負債

合約負債於本集團轉讓相關貨品或服務前收到客戶付款或付款到期時(以較早者為準)確認。合約負債於本集團根據合約履行(即將相關貨品或服務的控制權轉讓予客戶)時確認為收入。

僱員福利

退休金計劃

本集團根據相關法律及法規為本集團經營所在國家的僱員參加各種界定供款計劃及國家管理退休福利計劃。本集團於該等計劃下所承擔之責任與界定供款計劃相等，且給予該等計劃的供款於僱員提供有權獲得供款的服務時確認為開支。

住房公積金、醫療保險及其他社會保險

本集團的中國僱員有權參與政府規定的若干住房公積金、醫療保險及其他社會保險計劃。本集團根據該等僱員工資的若干百分比按月向該等基金供款。本集團對該等基金的負債以各期間應付的供款為限。住房公積金、醫療保險及其他社會保險的供款於產生時列為開支。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

EMPLOYEE BENEFITS (Continued)

Defined benefit plans

The Group operates a defined benefit pension plan which requires contributions to be made to a separately administered fund. The benefits are unfunded. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit actuarial valuation method.

Remeasurements arising from defined benefit pension plans, comprising actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the consolidated statement of financial position with a corresponding debit or credit to retained profits through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss at the earlier of:

- the date of the plan amendment or curtailment; and
- the date that the Group recognises restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under "cost of sales" and "administrative expenses" in the consolidated statement of profit or loss by function:

- service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- net interest expense or income

2.4 主要會計政策概要(續)

僱員福利(續)

界定福利計劃

本集團設有一項界定福利退休金計劃，計劃要求本集團向獨立運作的基金作出供款。福利乃未撥款。根據界定福利計劃提供福利的成本乃採用預計單位信貸精算估值法釐定。

因界定福利退休金計劃而產生的重新計量，包括精算利益及虧損、資產上限的影響(不包括計入界定福利負債淨額的淨利息的金額)以及計劃資產的回報(不包括計入界定福利負債淨額的淨利息的金額)，於綜合財務狀況表中即時確認，並於其產生期間透過其他全面收益於保留溢利內相應扣除或計入。重新計量於其後期間不會重新分類至損益。

過往服務成本按下列較早者於損益內確認：

- 計劃修訂或縮減之日；及
- 本集團確認與重組相關的成本之日

利息淨額乃採用貼現率將界定福利負債或資產淨額進行貼現計算。本集團按功能在綜合損益表之「銷售成本」及「行政開支」中確認下列界定福利責任淨額的變動：

- 服務成本(包括即期服務成本、過往服務成本、縮減及不定期結算的利益及虧損)
- 利息開支或收益淨額

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

EMPLOYEE BENEFITS (Continued)

Share-based payments

One of the Group's subsidiary operates a share option scheme and the Company operates a share award scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions is measured by reference to the fair value at the date at which they are granted.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

2.4 主要會計政策概要(續)

僱員福利(續)

以股份為基礎的支付

本集團的其中一間附屬公司設有一項購股權計劃及本公司設有一項股份獎勵計劃，以向對本集團業務成功有貢獻的合資格參與者提供鼓勵及獎勵。本集團僱員(包括董事)以股份為基礎的支付形式收取薪酬，而僱員則提供服務作為換取股本工具的代價(「以股本付款交易」)。

以股本付款交易的成本乃根據授出當日的公允價值計算。

以股本付款交易的成本連同相關權益的增加於達成表現及／或服務條件時在僱員福利開支內確認。於各報告期末就以股本付款交易確認累計開支，直至歸屬日期為止，反映歸屬期屆滿部分以及本集團對最終將歸屬的股本工具數目的最佳估計。期間在損益扣除或入賬的金額指期初及期末已確認累計開支的變動。

釐定獎勵於授出日期的公允價值時，不會考慮服務及非市場表現條件，但會評估達成該等條件的可能性，作為本集團對最終將歸屬的股本工具數目的最佳估計。市場表現條件反映於授出日期的公允價值內。獎勵所附帶但並無相關服務要求的任何其他條件視為非歸屬條件。除非有服務及／或表現條件，否則非歸屬條件反映於獎勵的公允價值內，並將即時支銷獎勵。

因未能達成非市場表現及／或服務條件而最終並無歸屬的獎勵不會確認開支。倘獎勵包括市場或非歸屬條件，不論市場或非歸屬條件是否達成，交易視為歸屬，惟所有其他表現及／或服務條件須已達成。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

EMPLOYEE BENEFITS (Continued)

Share-based payments (Continued)

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

DIVIDENDS

Dividends are recognised as a liability and deducted from equity when they are declared and approved by the Company's shareholders in general meetings. Proposed final dividends are disclosed in the notes to the consolidated financial statements.

Interim dividends are deducted from equity when they are declared and approved, and no longer at the discretion of the Company.

2.4 主要會計政策概要(續)

僱員福利(續)

以股份為基礎的支付(續)

於滿足獎勵之原有條款情況下，若修訂以股本付款獎勵的條款，則至少確認假設並無修訂有關條款時的開支。此外，倘修訂導致以股份為基礎的支付交易的總公允價值增加或對僱員有利(就修訂當日計量而言)，則須就修訂確認開支。

倘取消以股本付款獎勵，則有關獎勵將視作於取消當日已經歸屬，而任何未確認的獎勵開支會即時確認。其包括任何本集團或僱員未能達成可控制之非歸屬條件的獎勵。然而，倘有新獎勵取代已取消的獎勵，並於授出日期指定為替代獎勵，則所取消的獎勵及新獎勵將視為對原有獎勵的修訂(如上段所載述)。

借款成本

因收購、建築或生產合資格資產(即需要長時間準備作擬定用途或銷售的資產)而直接產生之借貸成本資本化作該等資產成本的一部分。當該等資產大致上可作擬定用途或銷售時，則停止將借貸成本資本化。特定借款有待用於合資格資產開支期間臨時投資所賺取的投資收益，從已資本化的借貸成本中扣除。所有其他借貸成本於其產生期間內列作開支。借貸成本包括一間實體在借入資金時所產生的利息及其他成本。

股息

宣派的股息經本公司股東於股東大會上批准後確認為負債，並且從權益中扣除。擬派末期股息將在綜合財務報表附註中披露。

宣派的中期股息自批准，並且本公司不能隨意更改時從權益中扣除。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FOREIGN CURRENCIES

The Company's functional currency is Hong Kong dollars while the Company's presentation currency for the consolidated financial statements is Renminbi. In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Renminbi using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange fluctuation reserve (attributed to non-controlling interests as appropriate).

2.4 主要會計政策概要(續)

外幣

本公司的功能貨幣為港元，而本公司綜合財務報表的呈列貨幣則為人民幣。於編製個別集團實體之財務報表時，以該實體功能貨幣以外貨幣(外幣)進行之交易，按交易當日適用的匯率確認。於各報告期末，以外幣列值之貨幣項目按當日適用的匯率重新換算。以外幣按公允價值計量之非貨幣項目，按釐定公允價值當日之匯率重新換算。以外幣按歷史成本計算之非貨幣項目不會重新換算。

貨幣項目之匯兌差額乃於產生期間內於損益確認，惟以下各項例外：

- 當有關日後生產使用之在建資產之外幣借貸匯兌差額被視為外幣借貸之利息成本之調整時，匯兌差額計入該等資產之成本；
- 對沖若干外幣風險交易之匯兌差額；及
- 應收或應付一項海外業務之貨幣項目匯兌差額，既無計劃結算，發生結算之可能性亦不大，其為海外業務投資淨額之一部分，並初始於其他全面收益確認及於償還貨幣項目時由權益重新分類至損益。

就呈報綜合財務報表而言，本集團海外業務之資產及負債，按各報告期末適用匯率換算為人民幣。收支項目按期內平均匯率換算。所產生匯兌差額(如有)乃於其他全面收益確認，並累計列入權益之匯兌波動儲備項下(按適當情況撥入非控制權益)。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FOREIGN CURRENCIES (Continued)

On disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of the operation attributable to the owners of the Company are reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

2.4 主要會計政策概要(續)

外幣(續)

於出售海外業務時，就本公司擁有人應佔該業務而於權益內累計之所有匯兌差額重新分類至損益。

通過收購海外業務而獲得之可識別資產及承擔之負債之商譽及公允價值調整，均被視為該海外業務之資產及負債，並按各報告期末之適用匯率換算。產生之匯兌差額於其他全面收益確認。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

JUDGEMENTS

Deferred tax liabilities

Deferred income tax liabilities have not been established for income tax and withholding tax that would be payable on certain profits of the subsidiaries in the PRC to be repatriated and distributed by way of dividends as the directors consider that the timing of the reversal of the related temporary differences can be controlled and such temporary differences will not be reversed in the foreseeable future.

If these undistributed earnings of the subsidiaries in the PRC are considered to be repatriated and distributed by way of dividends, the deferred income tax charge and deferred income tax liability would have increased by the same amount of approximately RMB343,290,000.

3. 主要會計判斷及估計

編製本集團的綜合財務報表需要管理層作出判斷、估計及假設，而該等判斷、估計及假設影響收入、開支、資產及負債的呈報金額及相關披露，以及或然負債的披露。此等假設及估計的不明朗因素可引致日後需對受影響的資產或負債的賬面值作出重大調整。

判斷

遞延稅項負債

遞延所得稅負債並無就以股息形式匯出及分派的中國附屬公司若干溢利的應付所得稅及預提所得稅計提，原因是董事認為撥回相關暫時差額的時間可被控制以及有關暫時差額將不會於可見將來撥回。

倘該等中國附屬公司的未分派盈利被視為以股息形式匯出及分派，則遞延所得稅開支及遞延所得稅負債將以相同金額約人民幣343,290,000元增加。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

JUDGEMENTS (Continued)

Consolidation of entities in which the Group holds less than a majority of voting rights

The Group considers that it controls WIIK Public Company Limited even though it owns less than 50.00% of the voting rights. This is because the Group is the single largest shareholder of WIIK Public Company Limited with 47.75% equity interest. The remaining 52.25% of the equity shares in WIIK Public Company Limited are dispersedly held by many other shareholders. Since the date of acquisition, there has been no history of the other shareholders collaborating to exercise their votes collectively or to outvote the Group.

ESTIMATION UNCERTAINTY

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Impairment of goodwill, brand name and trademark and operating concession rights

The Group determines whether goodwill, brand name and trademark and operating concession rights with indefinite useful lives are impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill, brand name and operating concession rights are allocated. Estimating the value in use requires the Group to make an estimation of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. At the end of the reporting period, the carrying amounts of goodwill, brand name and trademark and operating concession rights were RMB495,857,000 (2020: RMB381,408,000), RMB145,183,000 (2020: RMB147,233,000) and RMB23,230,000 (2020: RMB24,550,000), respectively. Further details are disclosed in note 16 to the consolidated financial statements.

3. 主要會計判斷及估計(續)

判斷(續)

本集團持有不足多數投票權之實體之綜合

本集團認為其控制WIIK Public Company Limited，儘管擁有不足50.00%的投票權。原因為本集團是WIIK Public Company Limited的單一最大股東，擁有47.75%股權。其餘52.25%的WIIK Public Company Limited股權由許多其他股東分散持有。自收購日期起，沒有出現其他股東合作行使其持有的表決權，或者其他股東的投票數高於本集團的情況。

估計不明朗因素

有關於報告期末估計不明朗因素的未來及其他主要來源的主要假設，存在會導致下一個財政年度內資產及負債賬面值出現重大調整的重大風險，於下文有所載述。

商譽、商號及商標和特許經營權減值

本集團至少每年釐定商譽、具無限可使用年期之商號及商標和特許經營權是否減值。此乃需要估計已分配商譽、商號及特許經營權的現金產生單位的可使用價值。在估計可使用價值時，本集團須估計該現金產生單位預期未來的現金流量，選擇合適的貼現率以計算該等現金流量的現值。於報告期末，商譽、商號及商標和特許經營權的賬面值分別為人民幣495,857,000元(2020年：人民幣381,408,000元)、人民幣145,183,000元(2020年：人民幣147,233,000元)及人民幣23,230,000元(2020年：人民幣24,550,000元)。有關詳情已披露於綜合財務報表附註16。

3. 主要會計判斷及估計(續)

估計不明朗因素(續)

提供合約資產、貿易應收款項及票據、其他應收款項及應收借款的預期信貸虧損

本集團審閱與合約資產、貿易應收款項及票據、其他應收款項及應收借款有關的信貸風險。就因還款歷史、財務狀況及其他外部或內部資料而帶有特定信貸風險的個別客戶的結餘而言，管理層在考慮本集團持有的任何信貸增強措施後，估計金融資產的可收回金額，並就總結餘與可收回款項之間的差額確認撥備。

除與帶有特定信貸風險的個別客戶有關的結餘外，本集團使用撥備矩陣計算其他合約資產、貿易應收款項及票據、其他應收款項及應收借款的預期信貸虧損。撥備率就具有類似虧損模式(即按地區、產品類型、客戶類

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

ESTIMATION UNCERTAINTY (Continued)

Provision of ECL for contract assets, trade and bills receivables, other receivables and loan receivables (Continued)

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's contract assets, trade and bills receivables, other receivables and loan receivables is disclosed in notes 23, 24, 25 and 20 to the consolidated financial statements, respectively.

Provision for obsolete and slow-moving inventories

The Group reviews the ageing analysis of its inventories at the end of each reporting period, and makes provision for obsolete and slow moving inventory items identified that are no longer suitable for use/sale. Management estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions. At the end of the reporting period, an accumulated provision for obsolescence of RMB195,764,000 (2020: RMB214,768,000) has been recognised for inventories.

Fair value of investment properties

The best evidence of fair value is current prices in an active market for properties in the same location and condition and subject to similar leases and other contracts. In the absence of such information, management determines the amount within a range of reasonable fair value estimates. In making its judgement, management considers information from a variety of sources, including (i) independent valuations; (ii) current prices in an active market for properties of a different nature, condition and location (or subject to different leases or other contracts), adjusted to reflect those differences; (iii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the dates of transactions that occurred at those prices; and (iv) discounted cash flow projections, based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts, and (where possible) from external evidence such as current market rates for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of cash flows.

3. 主要會計判斷及估計(續)

估計不明朗因素(續)

提供合約資產、貿易應收款項及票據、其他應收款項及應收借款的預期信貸虧損(續)

評估歷史觀察違約比率、預測經濟狀況及預期信貸虧損之間的相關性為重要估計。預期信貸虧損的金額受環境變化及預測經濟狀況影響。本集團的歷史信貸虧損及經濟狀況預測亦可能無法反映客戶日後的實際違約。有關本集團合約資產、貿易應收款項及票據、其他應收款項及應收借款的預期信貸虧損的資料分別於綜合財務報表附註23、24、25及20中披露。

過時及滯銷存貨撥備

本集團於各報告期末檢討其存貨的賬齡分析，並對確認為不宜使用／出售的過時及滯銷存貨項目作出撥備。管理層主要根據最新的發票售價及現時市況估計該等存貨的可變現淨值。於報告期末，人民幣195,764,000元(2020年：人民幣214,768,000元)已確認為存貨之累計過時撥備。

投資物業公允價值

公允價值之最佳憑證為相同地點及狀況之物業當時於活躍市場之價格，並受類似租約及其他合約規限。在欠缺該等資料之情況下，管理層根據合理公允價值估計範圍釐定有關金額。在作出有關估算時，管理層會考慮不同來源之資料，包括：(i)獨立估值；(ii)性質、狀況或地點不同(或受不同租約或其他合約規限)之物業當時於活躍市場之價格，並加以調整以反映有關差異；(iii)類似物業於較不活躍市場之近期價格(或會作出調整，以反映自按交易之日以來經濟狀況之任何轉變對價格之影響)；及(iv)根據對未來現金流量之可靠估計而預測之貼現現金流量，輔以任何現有租約與其他合約之條款及(如可能)外在憑證(如地點及狀況相同之類似物業之當時市場租金)，並採用反映當時市場對現金流量金額及時間之不確定性評估之貼現率計算。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

ESTIMATION UNCERTAINTY (Continued)

Fair value of investment properties (Continued)

Details of the judgement and assumptions involved in determining the fair value of the Group's investment properties have been disclosed in note 14 to the consolidated financial statements.

Leases — Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

A CHANGE IN ACCOUNTING ESTIMATES

In accordance with the HKAS 16 *Property, Plant and Equipment* and HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, the Group adjusted the depreciation basis for certain property, plant and equipment to ensure the adjusted basis to meet the estimates on the future economic benefits. The impact on the change in the depreciation basis will not result in a restatement. The new depreciation basis has applied from 1 January 2021.

From 1 January 2021, the Group has changed the depreciation basis for certain property, plant and equipment, particulars of which are as follows:

3. 主要會計判斷及估計(續)

估計不明朗因素(續)

投資物業公允價值(續)

釐定本集團投資物業公允價值時所涉及的判斷及假設之詳情已披露於綜合財務報表附註14。

租賃 — 估算增量借款利率

本集團無法輕易釐定租賃內所隱含的利率，因此使用增量借款利率(「增量借款利率」)計量租賃負債。增量借款利率為本集團於類似經濟環境中為取得與使用權資產價值相近之資產，而以類似借期與類似抵押品借入所需資金應支付之利率。因此，增量借款利率反映了本集團「應支付」的款項，當無可觀察的利率時(如就並無訂立融資交易之附屬公司而言)或當須對利率進行調整以反映租賃計準則第8

會計政策、會計估計變更和差錯，本集團調整若干物業、廠房及設備的折舊基準，以確保經調整基準符合未來經濟利益的估計。折舊基準變更的影響將不會導致重列。新折舊基準自2021年1月1日起應用。

自2021年1月1日起，本集團對若干物業、廠房及設備的折舊基準進行變更，具體情況如下：

Category 類別	Before the change 變更前	After the change 變更後
Plant and machinery 廠房及機器	Straight-line basis 直線法	Units of production basis 產量法

The change has been applied prospectively and has resulted in an increase in depreciation of approximately RMB50,971,000 during the year.

有關變更已以未來適用法應用，已導致年內折舊增加約人民幣50,971,000元。

4. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the manufacture and sale of building materials and home improvement products; the provision of renovation and installation works, environmental engineering and other related services, financial services and property rental and other related services. For management purposes, the Group's businesses are organised by geographical areas based on the location of the customers and assets are attributable to the geographical unit based on the location of the assets. The Group has eight reportable operating segments as follows:

(i) Southern China, including Guangdong Province, Guangxi Zhuang Autonomous Region, Hunan Province, Fujian Province and Hainan Province;

(ii) Southwestern China, including Chongqing Municipality, Sichuan Province, Guizhou Province, Yunnan Province and Xizang (Tibet) Autonomous Region;

(iii) Central China, including Hubei Province, Jiangxi Province and Henan Province;

(iv) Eastern China, including Shanghai Municipality, Jiangsu Province, Zhejiang Province and Anhui Province;

(v) Northern China, including Beijing Municipality, Tianjin Municipality, Hebei Province, Shandong Province, Inner Mongolia Autonomous Region and Shanxi Province;

(vi) Northwestern China, including Shaanxi Province, Ningxia

4. 經營分部資料

本集團主要從事製造及銷售建材家居產品、提供裝修及安裝工程、環境工程及其他相關服務、金融服務和物業租賃及其他相關服務。就管理目的而言，本集團的業務根據客戶的所在地組成地理分區，且資產按其所在地分配予地域單位。本集團擁有以下八個需匯報經營分部：

(i) 華南，包括廣東省、廣西壯族自治區、湖南省、福建省及海南省；

(ii) 西南，包括重慶市、四川省、貴州省、雲南省及西藏自治區；

(iii) 華中，包括湖北省、江西省及河南省；

(iv) 華東，包括上海市、江蘇省、浙江省及安徽省；

(v) 華北，包括北京市、天津市、河北省、山東省、內蒙古自治區及山西省；

(vi) 西北，包括陝西省、寧夏回族自治區、青海省、甘肅省及新疆維吾爾自治區；

(vii) 東北，包括遼寧省、吉林省及黑龍江省；及

(viii) 中國境外。

4. 經營分部資料(續)

為制定資源分配決策及表現評估，管理層分別監控其經營分部的業績。分部表現乃按需匯報分部的溢利進行評估，需匯報分部的溢利即經調整除稅前溢利。經調整除稅前溢利乃按本階隆**技**醯**鬯**乃

4. OPERATING SEGMENT INFORMATION (Continued)

4. 經營分部資料(續)

OPERATING SEGMENT INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2021

截至2021年12月31日止年度的經營分部資料

		Southern China 華南 RMB'000 人民幣千元	Southwestern China 西南 RMB'000 人民幣千元	Central China 華中 RMB'000 人民幣千元	Eastern China 華東 RMB'000 人民幣千元	Northern China 華北 RMB'000 人民幣千元	Northwestern China 西北 RMB'000 人民幣千元	Northeastern China 東北 RMB'000 人民幣千元	Outside China 中國境外 RMB'000 人民幣千元	Eliminations 抵銷 RMB'000 人民幣千元	Consolidated 綜合 RMB'000 人民幣千元
Segment revenue:	**分部收入：**										
Sale of goods	銷售貨品	15,801,237	2,892,765	3,258,939	1,988,684	2,613,559	1,625,439	905,893	989,837	–	30,076,353
Contract revenue from renovation and installation works	裝修及安裝工程合約收入	1,005,358	58,903	103,290	202,750	47,362	9,208	6,324	15,358	–	1,448,553
Income from environmental engineering and other related services	環境工程及其他相關服務收益	142,100	5,769	16,667	121,171	3,819	41	95	11,267	–	300,929
Financial service income	金融服務收益	74,833	10,514	1,416	25,148	2,083	31	93	–	–	114,118
Property rental and other related services	物業租賃及其他相關服務	12,232	–	–	–	–	–	–	105,399	–	117,631
Revenue from external customers	外部客戶收入	17,035,760	2,967,951	3,380,312	2,337,753	2,666,823	1,634,719	912,405	1,121,861	–	32,057,584
Intersegment revenue	分部間收入	5,519,677	499,366	667,011	546,866	641,187	262,306	203,819	935,066	(9,275,298)	–
Total	總計	22,555,437	3,467,317	4,047,323	2,884,619	3,308,010	1,897,025	1,116,224	2,056,927	(9,275,298)	32,057,584
Segment results:	**分部業績：**	4,863,385	745,566	916,358	473,152	677,323	369,776	205,840	289,901	(93,608)	8,447,693
Reconciliations:	對賬：										
Interest income	利息收益										101,341
Gain on fair value changes of investment properties	投資物業公允價值變動利益										916,828
Gain on fair value changes of financial instruments at FVTPL	按公允價值計入損益的金融工具的公允價值變動利益										199,224
Gain on fair value changes of other financial liabilities	其他金融負債公允價值變動利益										8,048
Investment income	投資收益										5,508
Gain from bargain purchase	議價收購所得利益										26,217
Loss on deemed disposal of associates	視作出售聯營公司虧損										(56,491)
Exchange loss	匯兌虧損										(48,560)
Finance costs (other than interest on lease liabilities)	融資成本(租賃負債利息除外)										(536,236)
Share of results of associates	分佔聯營公司業績										242,740
Share of result of a joint venture	分佔一間合營企業業績										1,278
Unallocated income and expenses	未分配收益及開支										(5,500,308)
Profit before tax	除稅前溢利										3,807,282
Segment assets:	**分部資產：**	23,144,419	1,694,292	2,071,075	2,298,299	1,128,725	950,928	568,995	8,216,082	–	40,072,815
Reconciliations:	對賬：										
Interests in associates	於聯營公司的權益										2,618,990
Interest in a joint venture	於一間合營企業的權益										12,801
Other financial assets	其他金融資產										2,854,207
Deferred tax assets	遞延稅項資產										349,105
Cash and bank deposits	現金及銀行存款										7,646,249
Asset held for sale	持作出售資產										929,022
Total assets	**資產總額**										54,483,189
Other segment information:	**其他分部資料：**										
Write-back of inventories to net realisable value, net	撥回存貨至可變現淨值淨額	(39,055)	4,298	(200)	(2,272)	(372)	(138)	103	18,632	–	(19,004)
Depreciation and amortisation	折舊及攤銷	956,482	78,872	74,893	60,609	49,893	40,980	23,565	80,829	–	1,366,123
Impairment of property, plant and equipment	物業、廠房及設備減值	22,088	–	–	469	–	–	4,393	(167)	–	26,783
Impairment of goodwill	商譽減值	24,869	–	–	–	–	–	–	–	–	24,869
Impairment of other intangible assets	其他無形資產減值	1,320	–	–	–	–	–	–	–	–	1,320
Impairment of loan receivables	應收借款減值	329,279	–	–	–	–	–	–	–	–	329,279
Impairment of contract assets, net	合約資產減值淨額	20,431	–	–	–	–	–	60	–	–	20,491
Impairment of trade and bills receivables, net	貿易應收款項及票據減值淨額	887,819	6,371	12,988	22,022	15,969	5,461	14,224	13,093	–	977,947
Impairment of prepayments, net	預付款項減值淨額	71	25	1,090	15	236	11	–	–	–	1,448
Impairment of other receivables, net	其他應收款項減值淨額	1,914	–	–	–	–	–	–	(90)	–	1,824
Capital expenditure#	資本開支#	3,485,780	148,279	620,006	211,507	143,299	123,540	23,349	1,873,239	(77,846)	6,551,153

Capital expenditure consists of additions to property, plant and equipment, right-of-use assets, investment properties and other intangible assets, among which the additions resulted from business combination amounted to RMB1,141,624,000.

資本開支包括添置物業、廠房及設備、使用權資產、投資物業及其他無形資產，其中包括因業務合併而產生的添置為人民幣1,141,624,000元。

4. OPERATING SEGMENT INFORMATION (Continued)

4. 經營分部資料(續)

OPERATING SEGMENT INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2020

截至2020年12月31日止年度的經營分部資料

		Southern China 華南 RMB'000 人民幣千元	Southwestern China 西南 RMB'000 人民幣千元	Central China 華中 RMB'000 人民幣千元	Eastern China 華東 RMB'000 人民幣千元	Northern China 華北 RMB'000 人民幣千元	Northwestern China 西北 RMB'000 人民幣千元	Northeastern China 東北 RMB'000 人民幣千元	Outside China 中國境外 RMB'000 人民幣千元	Eliminations 抵銷 RMB'000 人民幣千元	Consolidated 綜合 RMB'000 人民幣千元
Segment revenue:	**分部收入：**										
Sale of goods	銷售貨品	14,296,424	2,793,802	2,873,149	1,545,613	2,097,594	1,422,689	737,700	703,236	–	26,470,207
Contract revenue from renovation and installation works	裝修及安裝工程合約收入	697,116	47,068	108,364	199,095	28,923	1,449	19,769	8,912	–	1,110,696
Income from environmental engineering and other related services	環境工程及其他相關服務收益	179,958	17,539	23,773	127,330	4,098	1,299	–	–	–	353,997
Financial service income	金融服務收益	30,349	1,633	3,625	12,581	2,151	34	19	–	–	50,392
Property rental and other related services	物業租賃及其他相關服務	11,370	–	–	24	–	–	–	76,379	–	87,773
Revenue from external customers	外部客戶收入	15,215,217	2,860,042	3,008,911	1,884,643	2,132,766	1,425,471	757,488	788,527	–	28,073,065
Intersegment revenue	分部間收入	4,354,850	450,144	532,163	437,339	557,703	238,605	185,929	771,577	(7,528,310)	–
Total	總計	19,570,067	3,310,186	3,541,074	2,321,982	2,690,469	1,664,076	943,417	1,560,104	(7,528,310)	28,073,065
Segment results:	**分部業績：**	4,801,638	884,882	952,938	526,249	620,639	346,109	185,439	224,671	(158,586)	8,383,979
Reconciliations:	對賬：										
Interest income	利息收益										171,112
Gain on fair value changes of financial instruments at FVTPL	按公允價值計入損益的金融工具的公允價值變動利益										129,294
Gain on fair value changes of other financial liabilities	其他金融負債公允價值變動利益										13,348
Investment income	投資收益										17,550
Gain on disposal of subsidiaries	出售附屬公司所得利益										365
Gain on disposal of associates	出售聯營公司所得利益										1,438
Gain from a bargain purchase	議價收購所得利益										5,579
Loss on fair value changes of investment properties	投資物業公允價值變動虧損										(157,263)
Loss on disposal of debt instruments at FVTOCI	出售按公允價值計入其他全面收益的債務工具虧損										(8,191)
Exchange loss	匯兌虧損										(2,328)
Finance costs (other than interest on lease liabilities)	融資成本(租賃負債利息除外)										(427,405)
Share of results of associates	分佔聯營公司業績										203,233
Share of result of a joint venture	分佔一間合營企業業績										1,167
Unallocated income and expenses	未分配收益及開支										(3,578,318)
Profit before tax	除稅前溢利										4,753,560
Segment assets:	**分部資產：**	18,529,130	1,531,128	1,667,031	1,842,455	998,984	734,828	542,214	7,961,847	–	33,807,617
Reconciliations:	對賬：										
Interests in associates	於聯營公司的權益										2,395,177
Interest in a joint venture	於一間合營企業的權益										11,523
Other financial assets	其他金融資產										2,705,921
Deferred tax assets	遞延稅項資產										159,888
Cash and bank deposits	現金及銀行存款										7,447,436
Total assets	**資產總額**										46,527,562
Other segment information:	**其他分部資料：**										
Write-down of inventories to net realisable value, net	撇減存貨至可變現淨值淨額	18,367	–	–	–	–	–	–	(132)	–	18,235
Depreciation and amortisation	折舊及攤銷	658,051	68,829	61,010	49,406	42,846	41,689	21,093	62,992	–	1,005,916
Impairment of property, plant and equipment	物業、廠房及設備減值	36,166	–	–	11,349	–	–	–	316	–	47,831
Impairment of goodwill	商譽減值	11,578	–	–	8,755	–	–	–	–	–	20,333
Impairment of loan receivables	應收借款減值	17,068	–	–	–	–	–	–	–	–	17,068
Reversal of impairment of contract assets, net	合約資產減值撥回淨額	(370)	–	–	–	–	–	–	–	–	(370)
Impairment of trade and bills receivables, net	貿易應收款項及票據減值淨額	25,522	351	1,441	4,578	5,897	661	(1,158)	1,218	–	38,510
Impairment of prepayments, net	預付款項減值淨額	6,774	6,402	–	–	–	–	253	6,645	–	20,074
Impairment of other receivables, net	其他應收款項減值淨額	(2,724)	–	–	–	–	–	–	3,955	–	1,231
Capital expenditure#	資本開支#	1,509,062	108,124	276,130	150,447	74,846	37,231	21,877	624,145	(59,774)	2,742,088

Capital expenditure consists of additions to property, plant and equipment, right-of-use assets, investment properties and other intangible assets, among which the additions resulted from business combination amounted to RMB252,952,000.

資本開支包括添置物業、廠房及設備、使用權資產、投資物業及其他無形資產，其中包括因業務合併而產生的添置為人民幣252,952,000元。

5. REVENUE, OTHER REVENUE, INCOME AND GAINS

5. 收入、其他收入、收益及利益

REVENUE

Set out below is the disaggregation of the Group's revenue from contracts with customers and the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

收入

以下載列本集團來自客戶合約的收入分拆及來自客戶合約的收入與分部資料所披露金額的對賬：

By revenue nature:

按收入性質劃分：

		2021			2020		
		Goods transferred at a point in time 於某一時點轉讓的貨品 RMB'000 人民幣千元	Services transferred over time 隨時間推移轉讓的服務 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	Goods transferred at a point in time 於某一時點轉讓的貨品 RMB'000 人民幣千元	Services transferred over time 隨時間推移轉讓的服務 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue from contracts with customers:	**來自客戶合約的收入：**						
Sale of goods	銷售貨品	**30,076,353**	**–**	**30,076,353**	26,470,207	–	26,470,207
Contract revenue from renovation and installation works	裝修及安裝工程合約收入	**–**	**1,448,553**	**1,448,553**	–	1,110,696	1,110,696
Income from environmental engineering and other related services	環境工程及其他相關服務收益	**–**	**300,929**	**300,929**	–	353,997	353,997
Sub-total	小計	**30,076,353**	**1,749,482**	**31,825,835**	26,470,207	1,464,693	27,934,900
Financial service income	金融服務收益			**114,118**			50,392
Property rental and other related services	物業租賃及其他相關服務			**117,631**			87,773
Total	總計			**32,057,584**			28,073,065

5. REVENUE, OTHER REVENUE, INCOME AND GAINS (Continued)

5. 收入、其他收入、收益及利益(續)

REVENUE (Continued)

By geographical locations:

收入(續)

按地理位置劃分：

		2021			2020		
		Goods transferred at a point in time 於某一時點轉讓的貨品 RMB'000 人民幣千元	Services transferred over time 隨時間推移轉讓的服務 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	Goods transferred at a point in time 於某一時點轉讓的貨品 RMB'000 人民幣千元	Services transferred over time 隨時間推移轉讓的服務 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue from contracts with customers:	**來自客戶合約的收入：**						
Mainland China	中國內地	**29,086,516**	**1,722,857**	**30,809,373**	25,766,971	1,455,781	27,222,752
Outside China	中國境外	**989,837**	**26,625**	**1,016,462**	703,236	8,912	712,148
Sub-total	小計	**30,076,353**	**1,749,482**	**31,825,835**	26,470,207	1,464,693	27,934,900
Financial service income	金融服務收益			**114,118**			50,392
Property rental and other							

下表列示於本報告期內確認於報告期初計入合約負債及於過往期間履約責任所確認的收入：

5. REVENUE, OTHER REVENUE, INCOME AND GAINS (Continued)

5. 收入、其他收入、收益及利益(續)

REVENUE (Continued)

Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of goods

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 30 to 360 days from delivery, or is settled on an advance receipt basis depending on the market conditions, market tactics and relationships with the customers.

Renovation, installation and engineering services

The performance obligation is satisfied over time as services are rendered and payment is generally due within 30 days from the date of billing. A certain percentage of payment is retained by customers until the end of the retention period as the Group's entitlement to the final payment is conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) at the end of the reporting period are as follows:

收入(續)

履約責任

有關本集團履約責任的資料概述如下：

銷售貨品

本集團於交貨時履行責任，付款一般在交貨後30至360天內到期，或視乎市況、市場策略及與客戶的關係按預收方式結算。

裝修、安裝及工程服務

履約責任隨提供服務而隨時間推移履行，且付款一般於結算日起30天內到期。客戶保留一定百分比的付款直至保留期結束，乃由於本集團獲取最終付款的權利視乎於客戶按合約規定的一段時間內對服務質素表示滿意後方可作實。

於報告期末，分配至餘下履約責任(未履約或部分未履約)的交易價格的金額如下：

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Amounts expected to be recognised as revenue:	預期將確認為收入的金額：		
Not more than 1 year	不多於1年	**1,435,765**	954,379
Over 1 year	1年以上	**588,242**	1,368,927
		2,024,007	2,323,306

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised over one year relate to renovation, installation and engineering services. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised not more than one year. The amounts disclosed above do not include variable consideration which is constrained.

分配至預期將於一年以上確認的餘下履約責任的交易價格的金額涉及裝修、安裝及工程服務。所有其他分配至餘下履約責任的交易價格的金額預期將在不多於一年確認。以上披露的金額不包括受約束的可變代價。

5. REVENUE, OTHER REVENUE, INCOME AND GAINS (Continued)

5. 收入、其他收入、收益及利益(續)

OTHER REVENUE, INCOME AND GAINS

其他收入、收益及利益

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Bank interest income	銀行利息收益	**93,200**	123,520
Interest income from other loan receivables	其他應收貸款的利息收益	**4,644**	–
Interest income from other financial assets	其他金融資產的利息收益	**3,497**	47,592
Total interest income	利息收益總額	**101,341**	171,112
Government grants and subsidies	政府補助及補貼	**72,271**	69,375
Gain on fair value changes of investment properties	投資物業公允價值變動利益	**916,828**	–
Gain on fair value changes of financial instruments at FVTPL	按公允價值計入損益的金融工具的公允價值變動利益	**199,224**	129,294
Gain on fair value changes of other financial liabilities	其他金融負債公允價值變動利益	**8,048**	13,348
Investment income	投資收益	**5,508**	17,550
Gain on disposal of subsidiaries	出售附屬公司所得利益	**–**	365
Gain on disposal of associates	出售聯營公司所得利益	**–**	1,438
Gain from bargain purchase	議價收購所得利益	**26,217**	5,579
Gain on termination of right-of-use assets	終止使用權資產所得利益	**396**	17
Rental income	租賃收益	**21,034**	32,291
Others	其他	**82,204**	68,818
		1,433,071	509,187

Government grants and subsidies mainly represent funding received from government authorities to support certain of the Group's research and development activities. There are no unfulfilled conditions or contingencies related to these grants and subsidies.

政府補助及補貼主要指政府機構授予以供支持本集團若干研發活動的資金，並無任何與該等補助及補貼有關的未達成條件或或有情況。

6. FINANCE COSTS

6. 融資成本

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Interest expenses on bank and other loans	銀行及其他貸款的利息開支	**565,142**	458,039
Interest expenses on lease liabilities	租賃負債的利息開支	**9,913**	8,487
		575,055	466,526
Less: Interest capitalised	減：資本化利息	**(28,906)**	(30,634)
		546,149	435,892

7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

7. 除稅前溢利

本集團的除稅前溢利乃經扣除／(計入)下列各項後達致：

		Note 附註	2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Cost of inventories sold	已售存貨成本		**22,336,356**	18,584,843
Direct cost of renovation and installation works	裝修及安裝工程直接成本		**1,074,442**	831,187
Direct cost of environmental engineering and other related services	環境工程及其他相關服務直接成本		**179,458**	217,596
Direct cost of financial services	金融服務直接成本		**4,965**	7,387
Direct cost of property rental and other related services	物業租賃及其他相關服務直接成本		**33,674**	29,838
(Write-back)/write-down of inventories to net realisable value, net	(撥回)／撇減存貨至可變現淨值淨額		**(19,004)**	18,235
Depreciation of property, plant and equipment	物業、廠房及設備折舊	12	**1,220,264**	884,927
Depreciation of right-of-use assets	使用權資產折舊	13A	**108,338**	96,382
Amortisation of other intangible assets	其他無形資產攤銷	15B	**37,521**	24,607
Total depreciation and amortisation	折舊及攤銷總額		**1,366,123**	1,005,916
Lease payments not included in the measurement of lease liabilities	不包括在租賃負債計量中的租賃付款	13C	**28,938**	11,986
Auditor's remuneration	核數師酬金		**8,920**	8,771
Employee benefit expense (including directors' remuneration (note 8)):	僱員福利開支(包括董事薪酬(附註8))：			
Wages and salaries	工資及薪金		**1,716,081**	1,235,452
Pension scheme contributions (note)	退休金計劃供款(附註)		**165,391**	56,868
Staff welfare and other expenses	員工福利及其他開支		**97,585**	81,094
Equity-settled share option expense	以股本付款之購股權開支		**7,092**	–
Service cost included in defined benefit plan	計入界定福利計劃的服務成本	32	**339**	–
			1,986,488	1,373,414
Research and development costs	研發成本		**1,215,499**	946,843
Loss on disposal of items of other intangible assets and property, plant and equipment	出售其他無形資產和物業、廠房及設備項目的虧損		**51,789**	8,257
Impairment of property, plant and equipment	物業、廠房及設備減值	12	**26,783**	47,831
Changes in fair value of investment properties	投資物業公允價值變動	14	**(916,828)**	157,263
Gain on fair value changes of financial instruments at FVTPL	按公允價值計入損益的金融工具的公允價值變動利益		**(199,224)**	(129,294)
Gain on fair value changes of other financial liabilities	其他金融負債公允價值變動利益		**(8,048)**	(13,348)
Loss on disposal of debt instruments at FVTOCI	出售按公允價值計入其他全面收益的債務工具虧損		**–**	8,191
Gain on disposal of subsidiaries	出售附屬公司利益		**–**	(365)
Gain from bargain purchase	議價收購所得利益		**(26,217)**	(5,579)
Loss on deemed disposal of associates	視作出售聯營公司虧損		**56,491**	–
Gain on termination of right-of-use assets	終止使用權資產所得利益	13C	**(396)**	(17)
Impairment of goodwill	商譽減值	15A	**24,869**	20,333
Impairment of other intangible assets	其他無形資產減值	15B	**1,320**	–
Impairment of loan receivables	應收借款減值	20	**329,279**	17,068
Impairment/(reversal of impairment) of				

附註：本集團並無作為僱主可使用的沒收供款以減低現有供款水平(2020年：無)。

8. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (Continued)

8. 董事薪酬及五名最高薪酬僱員(續)

(A) DIRECTORS' REMUNERATION (Continued)

The remuneration of each of the directors is set out below:

(A) 董事薪酬(續)

各董事的薪酬載列如下：

2021		Fees 袍金 RMB'000 人民幣千元	Salaries, allowances and benefits in kind 薪金、津貼及實物福利 RMB'000 人民幣千元	Performance related bonuses 表現掛鈎花紅 RMB'000 人民幣千元	Equity-settled share option expense 以股本付款之購股權開支 RMB'000 人民幣千元	Pension scheme contributions 退休金計劃供款 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Executive directors:	**執行董事：**						
Mr. Wong Luen Hei	黃聯禧先生	2,159	–	–	–	15	2,174
Mr. Zuo Manlun	左滿倫先生	4,982	2,643	–	1,637	34	9,296
Ms. Zuo Xiaoping	左笑萍女士	2,159	–	–	–	15	2,174
Mr. Lai Zhiqiang	賴志強先生	2,159	–	–	–	29	2,188
Mr. Kong Zhaocong	孔兆聰先生	2,159	–	–	–	29	2,188
Mr. Chen Guonan	陳國南先生	2,159	–	–	–	29	2,188
Dr. Lin Shaoquan	林少全博士	–	2,159	–	–	14	2,173
Mr. Huang Guirong	黃貴榮先生	2,159	–	–	–	31	2,190
Mr. Luo Jianfeng	羅建峰先生	2,159	2,643	–	1,637	15	6,454
Mr. Lin Dewei	林德緯先生	2,159	–	–	–	15	2,174
		22,254	7,445	–	3,274	226	33,199
Independent non-executive directors:	**獨立非執行董事：**						
Mr. Wong Kwok Ho, Jonathan	王國豪先生	299	–	–	–	–	299
Ms. Lan Fang	蘭芳女士	299	–	–	–	–	299
Dr. Tao Zhigang	陶志剛博士	299	–	–	–	–	299
Mr. Cheng Dickson	鄭迪舜先生	299	–	–	–	–	299
Ms. Lu Jiandong	呂建東女士	299	–	–	–	–	299
		1,495	–	–	–	–	1,495
		23,749	7,445	–	3,274	226	34,694

8. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (Continued)

8. 董事薪酬及五名最高薪酬僱員(續)

(A) DIRECTORS' REMUNERATION (Continued)

(A) 董事薪酬(續)

	Fees 袍金 RMB'000	Salaries, allowances and benefits in kind 薪金、津貼及實物福利	Performance related bonuses 表現掛鈎花紅	Pension scheme contributions 退休金計劃供款	Total 總計

(1) 於2020年9月1日辭任獨立非執行董事

(2) 於2020年9月1日獲委任為獨立非執行董事

8. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (Continued)

(A) DIRECTORS' REMUNERATION (Continued)

No director waived or agreed to waive any emolument and no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

There were no other emoluments paid or payable to the independent non-executive directors during the year (2020: Nil).

(B) FIVE HIGHEST PAID EMPLOYEES

The Group's five highest paid employees during the year were all directors. Details of the remuneration of these directors during the year are set out in note 8(A) above.

8. 董事薪酬及五名最高薪酬僱員(續)

(A) 董事薪酬(續)

概無董事放棄或同意放棄任何酬金，而本集團亦無為鼓勵加盟本集團或在加盟本集團時或作為離職補償而向董事支付任何酬金。

年內概無已付或應付獨立非執行董事的任何其他酬金(2020年：無)。

(B) 五名最高薪酬僱員

年內，本集團五名最高薪酬僱員均為董事。於年內該等董事的薪酬詳情載於上文附註8(A)。

9. INCOME TAX EXPENSE

9. 所得稅開支

		Note 附註	2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Current tax	即期稅項			
PRC	中國		**602,213**	938,283
Hong Kong	香港		**1,331**	–
Other jurisdictions	其他司法權區		**221,692**	443
			825,236	938,726
(Over)/under provision in prior years	過往年度(過度)／不足撥備			
PRC	中國		**(82,311)**	(82,716)
Hong Kong	香港		**43**	–
Other jurisdictions	其他司法權區		**(54)**	(35)
			(82,322)	(82,751)
Deferred tax	遞延稅項	34	**45,779**	140,196
Total tax charge for the year	年內稅項支出總額		**788,693**	996,171

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

本集團須就本集團成員公司於身處及經營所在的司法權區所產生或所錄得溢利按實體基準繳納所得稅。

9. INCOME TAX EXPENSE (Continued)

HONG KONG PROFITS TAX

Hong Kong profits tax has been provided at the rate of 16.50% (2020: 16.50%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 of assessable profits of this subsidiary are taxed at 8.25% and the remaining assessable profits are taxed at 16.50%.

During the year ended 31 December 2020, no provision for Hong Kong profits tax was made as the Group had no assessable profits arising in Hong Kong.

PRC CORPORATE INCOME TAX

The Group's income tax provision in respect of its operations in mainland China has been calculated at the applicable tax rates on the taxable profits for both years, based on the existing legislation, interpretations and practices in respect thereof.

Certain of the Group's PRC subsidiaries are qualified as High and New Technology Enterprises and are entitled to a preferential corporate income tax rate of 15.00% during both years.

INCOME TAX FOR OTHER JURISDICTIONS

The Group's tax provision in respect of other jurisdictions has been calculated at the applicable tax rates in accordance with the prevailing practices of the jurisdictions in which the Group operates.

During the year ended 31 December 2021, income tax of other jurisdictions mainly arose from Australia and Canada for the Group's disposal of investment properties.

9. 所得稅開支(續)

香港利得稅

香港利得稅已按年內於香港產生的估計應課稅溢利的16.50%(2020年：16.50%)計提撥備，惟本集團一間附屬公司為符合兩級制利得稅率制度的實體除外。該附屬公司首2,000,000港元的應課稅溢利按8.25%的稅率徵稅，其餘應課稅溢利按16.50%的稅率徵稅。

截至2020年12月31日止年度，鑑於本集團於年內並無於香港產生任何應課稅溢利，故並無計提香港利得稅撥備。

中國企業所得稅

本集團以相關現有法律、詮釋及慣例為基準，就兩個年度的應課稅溢利按適用稅率計算中國內地業務的所得稅撥備。

本集團若干中國附屬公司於兩個年度合乎高新技術企業資格，可享15.00%的優惠企業所得稅率。

其他司法權區的所得稅項

本集團就其他司法權區的稅項撥備已根據本集團經營業務所在的司法權區現行慣例的適用稅率計算。

截至2021年12月31日止年度，其他司法權區的所得稅主要來自本集團於澳洲及加拿大出售投資物業。

9. INCOME TAX EXPENSE (Continued)

A reconciliation of the tax expense applicable to profit before tax at the statutory rate for the jurisdiction in which the majority of the Company's subsidiaries are domiciled to the tax expense at the effective tax rate is as follows:

9. 所得稅開支(續)

採用本公司大部分附屬公司所在司法權區法定稅率計算的適用於除稅前溢利的稅項開支與按實際稅率計算的稅項開支的對賬如下：

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Profit before tax	除稅前溢利	**3,807,282**	4,753,560
Tax at the PRC corporate income tax rate of 25%	按中國企業所得稅率25%計算的稅項	**951,821**	1,188,390
Effect of different taxation rates	不同稅率的影響	**(133,513)**	(412,939)
Share of results of associates	分佔聯營公司業績	**(60,685)**	(50,808)
Share of result of a joint venture	分佔一間合營企業業績	**(320)**	(292)
Income not subject to tax	毋須課稅收益	**(10,326)**	(51,684)
Expenses not deductible for tax	不可扣稅開支	**49,721**	58,459
Tax losses utilised from prior years	已動用過往年度稅項虧損	**(44,062)**	(26,431)
Tax losses not recognised	未確認稅項虧損	**95,814**	132,019
Adjustments in respect of current tax of prior years	就過往年度的即期稅項的調整	**(82,322)**	(82,751)
Tax incentive on eligible expenses	對合資格開支的稅收激勵	**(109,254)**	–
Effect of withholding tax at 5% on the distributable profits of the Company's subsidiaries in PRC	對本公司中國附屬公司可分派溢利按5%徵收預提所得稅的影響	**131,819**	242,208
Tax charge at the Group's effective rate	按本集團實際稅率計算的稅項支出	**788,693**	996,171

10. 股息

於報告期末後，董事會建議就截至2021年12月31日止年度宣派末期股息每股普通股26港仙，合計800,651,000港元予於2022年7月8日名列本公司股東名冊的本公司擁有人(2020年：末

11. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

11. 本公司擁有人應佔每股盈利

The calculations of the basic and diluted earnings per share are based on:

根據以下各項計算每股基本及攤薄盈利：

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Earnings	**盈利**		
Profit attributable to owners of the Company used in the basic and diluted earnings per share calculation	計算每股基本及攤薄盈利時用到的本公司擁有人應佔溢利	**3,044,159**	3,750,829

		Number of Shares 股份數目 2021	2020
Shares	**股份**		
Weighted average number of ordinary shares in issue	已發行普通股加權平均數	**3,102,418,400**	3,102,418,400
Weighted average number of shares held for the share award scheme	股份獎勵計劃所持股份加權平均數	**(22,991,000)**	(22,991,000)
Adjusted weighted average number of ordinary shares of the Company in issue used in the basic and diluted earnings per share calculation	計算每股基本及攤薄盈利時用到的本公司已發行普通股經調整加權平均數	**3,079,427,400**	3,079,427,400

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2021 and 2020, respectively.

本集團於截至2021年及2020年12月31日止年度均無已發行的潛在攤薄普通股。

12. PROPERTY, PLANT AND EQUIPMENT 12. 物業、廠房及設備

		Land and buildings 土地及樓宇 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Furniture, fixtures and office equipment 家具、裝置及辦公室設備 RMB'000 人民幣千元	Vehicles 運輸工具 RMB'000 人民幣千元	Leasehold improvements 租賃物業裝修 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost:	**成本：**							
At 1 January 2020	於2020年1月1日	5,678,440	5,550,319	306,564	220,471	138,453	1,737,310	13,631,557
Additions	添置	61,374	531,917	16,894	15,675	37,740	898,634	1,562,234
Acquisitions of subsidiaries	收購附屬公司	97,888	27,568	2,002	523	10,279	–	138,260
Transfers	調撥	304,015	241,792	7,636	2,249	9,285	(564,977)	–
Disposals	出售	(106,947)	(175,530)	(13,451)	(9,174)	(468)	(73,093)	(378,663)
Exchange realignment	匯兌調整	(13,648)	(2,272)	(775)	(901)	(448)	(357)	(18,401)
At 31 December 2020 and 1 January 2021	於2020年12月31日及2021年1月1日	6,021,122	6,173,794	318,870	228,843	194,841	1,997,517	14,934,987
Additions	添置	126,855	1,050,945	20,982	459,201	19,925	1,659,996	3,337,904
Acquisitions of subsidiaries (note 39)	收購附屬公司（附註39）	206,623	170,326	9,852	3,019	1,374	137,072	528,266
Transfers	調撥	780,509	615,576	15,947	11,606	17,312	(1,440,950)	–
Transfer from investment properties (note 14)	調撥自投資物業（附註14）	31,516	–	–	–	–	–	31,516
Disposals	出售	(85,295)	(274,500)	(9,059)	(11,387)	(37,015)	(6,316)	(423,572)
Exchange realignment	匯兌調整	(10,664)	(27,065)	(390)	(1,185)	(2,028)	(26,643)	(67,975)
At 31 December 2021	於2021年12月31日	**7,070,666**	**7,709,076**	**356,202**	**690,097**	**194,409**	**2,320,676**	**18,341,126**
Accumulated depreciation and impairment:	**累計折舊及減值：**							
At 1 January 2020	於2020年1月1日	(1,334,197)	(2,446,264)	(206,484)	(156,496)	(80,640)	(12,655)	(4,236,736)
Provided for the year	年內撥備	(314,719)	(484,308)	(35,842)	(22,133)	(27,925)	–	(884,927)
Disposals	出售	12,855	99,061	10,790	7,954	266	–	130,926
Impairment	減值	–	(507)	(3,192)	(14)	(2,110)	(42,008)	(47,831)
Exchange realignment	匯兌調整	1,083	1,578	366	662	–	–	3,689
At 31 December 2020 and 1 January 2021	於2020年12月31日及2021年1月1日	(1,634,978)	(2,830,440)	(234,362)	(170,027)	(110,409)	(54,663)	(5,034,879)
Provided for the year	年內撥備	(392,018)	(724,485)	(39,730)	(39,488)	(24,543)	–	(1,220,264)
Disposals	出售	62,027	139,163	7,388	8,452	36,298	–	253,328
Impairment	減值	–	(12,296)	(451)	13	(5,242)	(8,807)	(26,783)
Exchange realignment	匯兌調整	7,563	8,760	92	828	1,796	–	19,039
At 31 December 2021	於2021年12月31日	**(1,957,406)**	**(3,419,298)**	**(267,063)**	**(200,222)**	**(102,100)**	**(63,470)**	**(6,009,559)**
Net carrying amount:	**賬面淨值：**							
At 31 December 2021	於2021年12月31日	**5,113,260**	**4,289,778**	**89,139**	**489,875**	**92,309**	**2,257,206**	**12,331,567**
At 31 December 2020	於2020年12月31日							

計入本集團物業、廠房及設備的永久業權土地的賬面淨值為人民幣84,167,000元（2020年：人民幣19,639,000元）。該永久業權土地位於香港境外。

13. LEASES

THE GROUP AS A LESSEE

The Group has lease contracts for various items of leasehold land, plants and buildings, vehicles and other equipment used in its operations. For leasehold land classified as prepaid land lease payments previously, lump sum payments were made upfront to acquire the leasehold land from the owners with lease periods of 50 years, and no ongoing payments will be made under the terms of these land leases. For other leased lands classified as operating lease previously, they generally have lease terms between 10 and 50 years. Leases of plants and buildings generally have lease terms between 1 and 10 years. Leases of vehicles generally have lease terms between 1 and 3 years, while other equipment generally have lease terms between 1 and 5 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

13. 租賃

本集團作為承租人

本集團擁有多個用於營運的租賃業權土地、廠房及樓宇、運輸工具及其他設備的租賃合約。對於先前分類為預付土地租賃款的租賃業權土地，向擁有人收購租賃期為50年的土地時，已預先作出一次性付款，且根據該等土地租賃的條款，將不會進行後續付款。對於先前分類為經營租賃的其他租賃土地，其租期通常介乎10年至50年。廠房及樓宇租賃的租期通常介乎1年至10年。運輸工具租賃的租期通常介乎1年至3年，而其他設備的租期通常介乎1年至5年。一般而言，本集團被限制不能於本集團以外轉讓及轉租租賃資產。本集團有幾份包含延期及終止權以及可變租賃付款的租賃合約，下文將作進一步討論。

13. LEASES (Continued)

THE GROUP AS A LESSEE (Continued)

B. Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

13. 租賃(續)

本集團作為承租人(續)

B. 租賃負債

租賃負債的賬面值及於年內的變動如下：

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
As at 1 January	於1月1日	**162,316**	206,124
Additions	添置	**86,399**	41,678
Acquisitions of subsidiaries	收購附屬公司	**323,871**	–
Interest expenses (note 6)	利息開支(附註6)	**9,913**	8,487
Payments	付款	**(75,339)**	(85,649)
Termination	終止	**(11,191)**	(381)
Exchange realignment	匯兌調整	**(3,601)**	(7,943)
As at 31 December	於12月31日	**492,368**	162,316
Analysed into:	分析為：		
Current portion	流動部分	**77,670**	53,448
Non-current portion	非流動部分	**414,698**	108,868
		492,368	162,316

The maturity analysis of lease liabilities is disclosed in note 44 to the consolidated financial statements.

租賃負債的到期日分析於綜合財務報表附註44內披露。

C. The amounts recognised in profit or loss in relation to leases are as follows:

C. 於損益內已確認與租賃有關的金額如下：

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Depreciation expense of right-of-use assets	使用權資產折舊開支	**108,338**	96,382
Interest expense on lease liabilities	租賃負債利息開支	**9,913**	8,487
Gain on termination of right-of-use assets	終止使用權資產所得利益	**(396)**	(17)
Expense relating to short-term leases and other leases with remaining lease terms ended on or before year end	短期租賃及餘下租期於年末或之前屆滿的其他租賃的相關開支	**22,837**	10,903
Expense relating to leases of low-value assets	低價值資產租賃的相關開支	**6,101**	1,083
Total amount recognised in profit or loss	於損益內確認的總額	**146,793**	116,838

13. LEASES (Continued)

THE GROUP AS A LESSEE (Continued)

D. Extension and termination options

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and they are aligned with the Group's business needs. Set out below are the undiscounted potential future rental payments for extension options which the Group is not reasonably certain to exercise:

13. 租賃(續)

本集團作為承租人(續)

D. 延期及終止權

本集團有幾份包含延期及終止權的租賃合約。該等選擇權由管理層協商，以靈活管理租賃資產組合，並符合本集團的業務需要。下文載列本集團合理確定不行使延期權的未折讓之潛在未來租金付款：

		2021		
		Payable within five years 須於五年內支付 RMB'000 人民幣千元	Payable after five years 須於五年後支付 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Extension options expected not to be exercised	預期不會行使的延期權	–	–	–

		2020		
		Payable within five years 須於五年內支付 RMB'000 人民幣千元	Payable after five years 須於五年後支付 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Extension options expected				

13. LEASES (Continued)

THE GROUP AS A LESSOR

During the year, the Group leases certain commercial properties in Asia, North America and Oceania which were classified as investment properties. The rental income of these properties amounting to RMB117,631,000 (2020: RMB87,773,000) was recognised and included in "Revenue" in profit or loss. Certain office premises, machineries and equipment were classified as property, plant and equipment under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. Rental income recognised by the Group during the year was RMB21,034,000 (2020: RMB32,291,000), details of which are included in note 5 to the consolidated financial statements.

At the end of the reporting period, the undiscounted lease payment receivables by the Group in future periods under non-cancellable operating leases with its tenants are as follows:

13. 租賃(續)

本集團作為出租人

年內，本集團於亞洲、北美洲及大洋洲租若干分類為投資物業的商業物業。年內該些物業已確認的租賃收益為人民幣117,631,000元(2020年：人民幣87,773,000元)並計入損益的「收入」內。若干辦公室、機器及設備(於經營租賃安排下)分類為物業、廠房及設備。該等租賃的條款通常要求租戶支付保證金，並因應當時市場狀況定期進行租金調整。本集團於年內確認的租賃收益為人民幣21,034,000元(2020年：人民幣32,291,000元)，詳情載於綜合財務報表附註5。

於報告期末，本集團根據不可撤銷經營租賃於未來期間向其租戶收取的未貼現租賃款如下：

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Not more than 1 year	不多於1年	**542,590**	397,186
Over 1 year to 2 years	1年以上至2年	**118,002**	82,813
Over 2 years to 3 years	2年以上至3年	**18,242**	17,017
Over 3 years to 4 years	3年以上至4年	**17,624**	14,016
Over 4 years to 5 years	4年以上至5年	**16,604**	13,345
Over 5 years	5年以上	**14,052**	13,989
		727,114	538,366

13. LEASES (Continued)

THE GROUP AS A LESSOR (Continued)

The disaggregation of these office premises, machineries and equipment classified as property, plant and equipment under operating leases and the reconciliation of the carrying amount at the beginning and end of the period are set out below:

13. 租賃(續)

本集團作為出租人(續)

分類為經營租賃項下物業、廠房及設備的辦公室、機器及設備之分拆及期初與期末賬面值的對賬載列如下：

	Land and buildings 土地及樓宇 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元

14. INVESTMENT PROPERTIES

14. 投資物業

		Note 附註	**2021 RMB'000 人民幣千元**	2020 RMB'000 人民幣千元
At 1 January	於1月1日		**6,973,570**	6,870,181
Additions	添置		**1,806,613**	439,356
Acquisitions of subsidiaries	收購附屬公司	39	**189,949**	–
Transfer to property, plant and equipment	調撥至物業、廠房及設備	12	**(31,516)**	–
Transfer to right-of-use assets	調撥至使用權資產	13A	**(8,361)**	–
Transfer to asset held for sale	調撥至持作出售資產	27	**(929,022)**	–
Changes in fair value	公允價值變動	7	**916,828**	(157,263)
Disposals	出售		**(547,281)**	–
Exchange realignment	匯兌調整		**(561,141)**	(178,704)
At 31 December	於12月31日		**7,809,639**	6,973,570

Further summary details of the Group's investment properties are set out in the section headed "Summary of Major Investment Properties" of this report.

本集團投資物業概要的進一步詳情載於本報告「主要投資物業概要」一節。

The investment properties are leased to third parties under operating leases, further summary details of which are included in note 13 to the consolidated financial statements.

根據經營租賃出租予第三方的投資物業的進一步摘要詳情載於綜合財務報表附註13。

14. INVESTMENT PROPERTIES (Continued)

VALUATION PROCESSES

At the end of the reporting period, the Group's investment properties were stated at fair value and were revalued by independent professionally qualified valuers detailed below:

American Appraisal (Thailand) Ltd.	For properties in Thailand
Acumentis Pty Ltd.	For properties in Australia
Metropolitan Valuation Services Inc. & CBRE Valuation & Advisory Services	For properties in US
Colliers International Realty Advisors Inc.	For properties in Canada
Guangdong Jingxin Real Estate Land Asset Evaluation Co., Ltd.	For properties in PRC
KJPP Susan Widjojo & Rekan in association with VPC Asia Pacific	For properties in Indonesia
Albawsala Real Estate Valuation	For properties in Dubai
SRE Global Pte. Ltd.	For properties in Myanmar
Advantage Property Services Co., Ltd.	For properties in Cambodia

The valuations performed by the valuers for financial reporting purposes were reviewed by management. Management also discussed the valuation processes and results with the valuers. The net fair value gains or losses on revaluation are included in "other revenue, income and gains" or "other expenses" in profit or loss, respectively.

Management reviewed the valuation results by verifying all major inputs and assumptions and assessing the reasonableness of such valuations.

14. 投資物業(續)

估值程序

於報告期末，本集團的投資物業按公允價值呈列，並由獨立專業的合資格估值師重新估值，詳情如下：

American Appraisal (Thailand) Ltd.	就泰國物業而言
Acumentis Pty Ltd.	就澳洲物業而言
Metropolitan Valuation Services Inc. & CBRE Valuation & Advisory Services	就美國物業而言
Colliers International Realty Advisors Inc.	就加拿大物業而言
廣東京信房地產土地資產評估有限公司	就中國物業而言
KJPP Susan Widjojo & Rekan in association with VPC Asia Pacific	就印尼物業而言
Albawsala Real Estate Valuation	就杜拜物業而言
SRE Global Pte. Ltd.	就緬甸物業而言
Advantage Property Services Co., Ltd.	就柬埔寨物業而言

管理層負責審閱估值師就財務呈報目的所作估值。管理層亦會與估值師討論估值程序及結果。有關重新估值的公允價值淨利益或虧損乃分別計入損益內的「其他收入、收益及利益」或「其他開支」。

管理層已透過驗證所有主要輸入數據及假設的方式審閱該估值結果，並評估該等估值的合理性。

14. INVESTMENT PROPERTIES (Continued)

VALUATION TECHNIQUES AND FAIR VALUE HIERARCHY

The following table shows the valuation techniques used by the valuers in the determination of fair values. There were no significant changes to the valuation techniques during the year.

14. 投資物業(續)

估值方法及公允價值架構

下表列示估值師釐定公允價值時所用的估值方法。年內估值方法概無發生任何重大變動。

	Fair value 公允價值 2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元	Valuation techniques 估值方法	Unobservable inputs 不可觀察輸入數據
Vacant lands and buildings 空置土地及物業	**3,683,161**	3,909,448	Direct/sales comparison approach 直接／銷售比較法	Premium (discount) in quality of land[1] 與土地質量相關的溢價(折讓)[1]
Lands and buildings 土地及物業	**2,333,443**	1,650,988	Residual method 剩餘法	Gross development value[2] and estimated construction cost[3] 總發展價值[2]及估計建築成本[3]
Lands and buildings 土地及物業	**1,793,035**	1,413,134	Income capitalisation approach 收益資本化法	Capitalisation rate[4] and market rent[5] 資本化比率[4]及市場租金[5]
	7,809,639	6,973,570		

Note:

(1) The higher the quality of land, the higher the fair value
(2) The higher the gross development value, the higher the fair value
(3) The higher the estimated construction cost, the lower the fair value
(4) The higher the capitalisation rate, the lower the fair value

附註：

(1) 土地質量愈高，公允價值愈高
(2) 總發展價值愈高，公允價值愈高
(3) 估計建築成本愈高，公允價值愈低
(4) 資本化比率愈高，公允價值愈低
(5) 市場租金愈高，公允價值愈高

於報告期末，經參考若干重大不可觀察輸入數據後，本集團的投資物業釐定為公允價值架構中第三級。年內概無從第三級轉入或轉出(2020年：無)。

15. 商譽及其他無形資產 *

16. IMPAIRMENT TESTING ON GOODWILL AND OTHER INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIVES

For the purpose of impairment testing, goodwill, brand name and trademark and operating concession rights with indefinite useful lives set out in note 15 have been allocated to twelve individual cash-generating units ("CGUs"), comprising subsidiaries engaging in the following businesses:

- provision of environmental engineering services;
- provision of sewage treatment services;
- provision of hazardous waste treatment services;
- provision of solid waste treatment services;
- manufacture and lease of aluminium formworks;
- provision of e-commerce services;
- cultivation of flowers and plants;
- manufacture and sale of plastic pipes and pipe fittings; and
- manufacture and sale of waterproof materials.

16. 商譽及其他具無限可使用年期的無形資產減值測試

就減值測試而言，附註15所載的商譽、具無限可使用年期的商號及商標和特許經營權已分配至十二個個別的現金產生單位(「現金產生單位」)，該等單位包括所從事以下業務的附屬公司：

- 提供環境工程服務；
- 提供污水處理服務；
- 提供危險廢品處理服務；
- 提供固體廢物處理服務；
- 製造及租賃鋁模架；
- 提供電商服務；
- 種植花朵及植物；
- 製造及銷售塑料管道及管件；及
- 製造及銷售防水材料。

16. IMPAIRMENT TESTING ON GOODWILL AND OTHER INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIVES (Continued)

16. 商譽及其他具無限可使用年期的無形資產減值測試(續)

The carrying amounts of goodwill, brand name and trademark and operating concession rights at the end of the reporting period allocated to these units are as follows:

於報告期末分配至該等單位的商譽、商號及商標和特許經營權的賬面值如下：

2021		Goodwill 商譽 RMB'000 人民幣千元	Brand name and trademark 商號及商標 RMB'000 人民幣千元	Operating concession rights 特許經營權 RMB'000 人民幣千元
Guangzhou EP Environmental Engineering Ltd.* and its subsidiary ("GZEP")	廣州市環境保護工程設計院有限公司及其附屬公司(「GZEP」)	–	110,520	23,230
Hainan Baolai Industrial & Trading Co., Ltd.* and its subsidiary ("Baolai")	海南寶來工貿有限公司及其附屬公司(「寶來」)	39,997	–	–
Jiangsu Yongbao Environmental Technology Co., Ltd.* and its subsidiaries ("Jiangsu Yongbao")	江蘇永葆環保科技有限公司及其附屬公司(「江蘇永葆」)	276,098	–	–
Guangzhou KingHing Construction Technology Ltd.* and its subsidiaries ("Guangzhou KingHing")	廣州景興建築科技有限公司及其附屬公司(「廣州景興」)	37,292	–	–
Guangdong Jinying Flower Seedling Co., Ltd.* ("Guangdong Jinying")	廣東金穎花卉苗木有限公司(「廣東金穎」)	1,763	–	–
Spirolite (M) Sdn. Bhd.	Spirolite (M) Sdn. Bhd.	1,312	34,663	–
China National Petroleum (Guangdong) Waterproof Co., Ltd. and its subsidiaries ("CNPW")	中油佳匯(廣東)防水股份有限公司及其附屬公司(「中油佳匯」)	70,837	–	–
Guangdong Xingfa Environmental Technology Co., Ltd.* ("Guangdong Xingfa")	廣東興發環境科技有限公司(「廣東興發」)	3,843	–	–
CNPW New Material Technology Taizhou Co., Ltd.* ("CNPW Taizhou")	中油佳匯新材料科技泰州有限公司(「中油佳匯泰州」)	29,277	–	–
Shenzhen EDA CLOUD Technologies Co., Ltd. and its subsidiaries ("EDA CLOUD")	深圳市易達雲科技有限公司及其附屬公司(「易達雲」)	35,438	–	–
		495,857	145,183	23,230

16. 商譽及其他具無限可使用年期的無形資產減值測試(續)

管理層認為透過業務合併產生的商號及商標和特許經營權具有無限可使用年期，此乃由於期期使

16. IMPAIRMENT TESTING ON GOODWILL AND OTHER INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIVES (Continued)

Other key assumptions for the value in use calculation relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin. Such estimation is based on the units' past performance and management's expectations for the market development. Management believes that any reasonably possible change in any of these assumptions would not cause the carrying amount of each CGU to exceed its recoverable amount.

At the end of the reporting period, based on the value in use calculation, impairment losses amounting to RMB7,457,000 and RMB1,320,000 were recognised on the relevant goodwill and operating concession rights of Huifengyuan, and RMB17,412,000 was recognised on the relevant goodwill of Guangdong Qicheng in respect of the current year, which arose from the expected decline in the market demand.

At 31 December 2020, based on the value in use calculation of Anhui Jianghuai Quality Technology Testing Service Co., Ltd., Hunan Huaqing Testing Technology Co., Ltd., Guangdong Zhongheng Precision Metal Manufacture Co., Ltd. and Guangdong Yitong Technology Co., Ltd., impairment losses amounting to RMB8,755,000, RMB1,726,000, RMB1,989,000 and RMB7,863,000, respectively, were recognised on the relevant goodwill in respect of the year ended 31 December 2020, which arose from the expected decline in the market demand.

Except for goodwill and operating concession rights mentioned above, there are no impairments of any other CGUs containing goodwill, brand name and trademark and operating concession rights with indefinite useful lives (2020: Nil).

16. 商譽及其他具無限可使用年期的無形資產減值測試(續)

計算可使用價值的其他主要假設與包括預算銷售額及毛利率的現金流入／流出的估計有關。有關估計乃基於個別單位的過往表現及管理層對個別市場發展的預算而作出。管理層認為，任何該等假設可能出現的任何合理變動不會導致各現金產生單位各自的賬面值超出其各自的可收回金額。

於報告期末，基於使用價值計算，本年度已就滙豐源的相關商譽及特許經營權分別確認減值虧損人民幣7,457,000元及人民幣1,320,000元，以及就廣東啟橙的相關商譽確認減值虧損人民幣17,412,000元，此乃市場需求預期下降所致。

於2020年12月31日，基於安徽省江淮質量技術檢測服務有限公司、湖南華清檢測技術有限公司、廣東中恒精密金屬製造有限公司及廣東一通科技股份有限公司的使用價值計算，截至2020年12月31日止年度已就相關商譽分別確認減值虧損人民幣8,755,000元、人民幣1,726,000元、人民幣1,989,000元及人民幣7,863,000元，此乃市場需求預期下降所致。

除上述的商譽及特許經營權外，概無任何其他含有商譽、具無限可使用年期的商號及商標和特許經營權的現金產生單位減值(2020年：無)。

17. INTERESTS IN ASSOCIATES

17. 於聯營公司的權益

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Share of net assets	分佔資產淨額	**2,132,251**	1,922,508
Goodwill on acquisitions	收購產生的商譽	**486,739**	472,669
		2,618,990	2,395,177

17. INTERESTS IN ASSOCIATES (Continued)

17. 於聯營公司的權益(續)

Particulars of the associates as at 31 December 2021 are as follows:

於2021年12月31日，聯營公司的詳情如下：

Name 名稱	Registered capital 註冊資本	Place of incorporation/ registration and business 註冊成立／註冊及營業地點	Percentage of 所佔百分比 Ownership interest 所有權權益	Voting power 投票權	Profit sharing 應佔溢利	Principal activity 主要業務
Xingfa Aluminium Holdings Limited	RMB3,744,000	Cayman Islands	26	26	26	Manufacture and sale of aluminium profiles
興發鋁業控股有限公司	人民幣3,744,000元	開曼群島				製造及銷售鋁型材
Foshan Hechuang Yingke Real Estate Development Co., Ltd.*	RMB180,000,000	PRC	38	38	38	Property development
佛山市合創盈科房產開發有限公司	人民幣180,000,000元	中國				物業發展
Guangdong Home Electronic Appliances World E-Commerce Co., Ltd.*	RMB40,000,000	PRC	30	30	30	E-commerce platform
廣東家電世界電子商務有限公司	人民幣40,000,000元	中國				電子商務平台
Guangdong Gold Ashlar Industry Financing Investment and Development Co., Ltd.*	RMB6,667,000	PRC	25	25	25	Investment
廣東金方石產融投資發展有限公司	人民幣6,667,000元	中國				投資
Guangzhou Luhang Agricultural Technology Co., Ltd.*	RMB123,410,000	PRC	38	38	38	Agriculture development
廣州綠航農業科技有限公司[2]	人民幣123,410,000元	中國				農業發展
Jiangyin Yongqing Water Purifying Agent Co., Ltd.*	RMB5,000,000	PRC	20	20	20	Manufacture and sale of chemical products
江陰市永清淨水劑有限公司	人民幣5,000,000元	中國				製造及銷售化工產品
Shanghai Banxin IoT Tech Co., Ltd.* [2]	RMB13,173,000	PRC	13	13	13	Provision of IoT solution services
上海邦芯物聯網科技有限公司[2]	人民幣13,173,000元	中國				提供物聯網解決方案服務
Artaic, LLC[2]	US$2,500,000	US	17	20	11	Manufacture and sale of mosaic tiles
Artaic, LLC[2]	2,500,000美元	美國				製造及銷售馬賽克瓷磚

17. 於聯營公司的權益(續)

Name 名稱	Registered capital 註冊資本	Place of incorporation/ registration and business 註冊成立／註冊及營業地點	Percentage of 所佔百分比 Ownership interest 所有權權益	Voting power 投票權	Profit sharing 應佔溢利	Principal activity 主要業務
Guangdong Lianwei Orchid Technology Co., Ltd.*	RMB1,000,000,000	PRC	49	49	49	Cultivation of flowers
廣東聯維蘭花科技股份有限公司	人民幣1,000,000,000元	中國				種植花朵
Hangzhou Yuehui Venture Capital Partnership*	RMB30,000,000	PRC	20	20	20	Investment
杭州悅匯創業投資合伙企業	人民幣30,000,000元	中國				投資
Foshan Aoxue Lesso Sports Culture Development Co., Ltd.*	RMB5,000,000	PRC	49	49	49	Holding sports events
佛山市傲雪領尚體育文化發展有限公司	人民幣5,000,000元	中國				舉辦體育賽事
Hunan VARY Tech Co., Ltd. (1)	RMB121,080,000	PRC	28	28	28	Provision of solid waste treatment services
湖南萬容科技股份有限公司(1)	人民幣121,080,000元	中國				提供固體廢物處理服務
Billion Milestone Properties Inc	PHP10,000,000	Philippines	40	40	40	Property investment
Billion Milestone Properties Inc	10,000,000菲律賓比索	菲律賓				物業投資

Note:

(1) During the current year, the Group acquired 28.00% equity interest in Hunan VARY Tech Co., Ltd. from independent third parties at a total consideration of RMB264,439,000.

(2) It is considered that the Group has significant influence over these companies because the Group has a director in each of the boards of directors of these companies.

Xingfa Aluminium Holdings Limited ("Xingfa Aluminium"), which is considered as a material associate of the Group, is engaged in the manufacture and sale of aluminium profiles and is accounted for using the equity method.

附註：

(1) 於本年度內，本集團向獨立第三方收購湖南萬容科技股份有限公司的28.00%股權，總代價為人民幣264,439,000元。

(2) 本集團於該些公司各董事會擁有一名董事，故認為本集團對該些公司擁有重大影響力。

興發鋁業控股有限公司(「興發鋁業」)被視為本集團的一間重大聯營公司，從事製造及銷售鋁型材，並按權益法入賬。

18. INTEREST IN A JOINT VENTURE

18. 於一間合營企業的權益

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Share of net assets	分佔資產淨額	**12,801**	11,523

Particulars of the joint venture are as follows:

合營企業的詳情如下：

Name 名稱	Registered capital 註冊資本	Place of incorporation/ registration and business 註冊成立／註冊及營業地點	Percentage of 所佔百分比 Ownership interest 所有權權益	Voting power 投票權	Profit sharing 應佔溢利	Principal activity 主要業務
Guangdong Lesso EPCO Residential Equipment Design Services Co., Ltd.	RMB10,000,000	PRC	50	50	50	Provision of household decoration design work and maintenance services
廣東聯塑艾博科住宅設備設計服務有限公司	人民幣10,000,000元	中國				提供家居裝飾設計及維修服務

The following table illustrates the information of the Group's interest in a joint venture:

下表呈列本集團於一間合營企業的權益的資料：

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Share of the joint venture:	分佔合營企業：		
Profit from continuing operations	持續經營業務溢利	**1,278**	1,167
Other comprehensive income	其他全面收益	**–**	–
Total comprehensive income	全面收益總額	**1,278**	1,167
Carrying amount of the Group's investment in the joint venture	本集團投資於合營企業的賬面值	**12,801**	11,523

19. 其他金融資產

19. OTHER FINANCIAL ASSETS (Continued)

Note: (Continued)

(iii) The equity securities contained a puttable option were classified as equity instruments at FVTPL.

(iv) The rights of the equity securities are restricted by a loan agreement with a third party mentioned in note 33.

(v) The Group has entered into various forward currency contracts to manage its exchange rate exposures. The forward currency contracts are not designated for hedge purposes and are measured at FVTPL. Changes in the fair value of non-hedging forward currency contracts amounting to RMB669,000 (2020: Nil) were recognised in profit or loss.

19. 其他金融資產(續)

附註：(續)

(iii) 分類為按公允價值計入損益的股本工具的股本證券包含一個認沽期權。

(iv) 股本證券的權利受限於附註33所述的第三方貸款協議。

(v) 本集團已訂立多項遠期貨幣合約，以管理其匯率風險。該等遠期貨幣合約並非指定作對沖用途，並按公允價值計入損益的方式計量。年內，人民幣669,000元(2020：無)非對沖遠期貨幣合約的公允價值變動已於損益內確認。

20. LOAN RECEIVABLES

20. 應收借款

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Non-current	**非流動**		
Finance lease receivables	融資租賃服務應收款項	**53,400**	3,584
Factoring receivables	保理服務應收款項	**33,000**	136,000
		86,400	139,584
Current	**流動**		
Finance lease receivables	融資租賃服務應收款項	**153,857**	140,219
Factoring receivables	保理服務應收款項	**1,471,059**	816,932
Receivables from supply-chain financing services	供應鏈融資服務應收款項	**64,400**	125,660
		1,689,316	1,082,811
Less: Provision for impairment	減：減值撥備	**(537,024)**	(207,745)
		1,152,292	875,066
		1,238,692	1,014,650

20. LOAN RECEIVABLES (Continued)

20. 應收借款(續)

(A) FINANCE LEASE RECEIVABLES

(A) 融資租賃服務應收款項

		Minimum lease receivables 最低租賃服務應收款項		Present value of minimum lease receivables 最低租賃服務應收款項現值	
		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元	**2021 RMB'000 人民幣千元**	2020 RMB'000 人民幣千元
Not more than 1 year	不多於1年	**157,576**	141,557	**153,857**	140,219
Over 1 year but within 5 years	1年以上5年以內	**56,913**	3,736	**53,400**	3,584
		214,489	145,293	**207,257**	143,803
Less: Unearned finance income	減：未實現融資收益	**(7,232)**	(1,490)		
Present value of minimum lease receivables	最低租賃服務應收款項現值	**207,257**	143,803		

The Group's finance lease receivables are denominated in Renminbi. The effective interest rates of the receivables range from 5.61% to 14.37% (2020: 11.42% to 11.77%) per annum. There are no unguaranteed residual values of assets leased under finance leases and no contingent rent arrangements that needed to be recognised (2020: Nil).

本集團的融資租賃服務應收款項以人民幣計值。該應收款項的實際年利率介乎5.61%至14.37%(2020年：11.42%至11.77%)。概無任何融資租賃資產的未擔保剩餘價值，亦無任何須予確認的或然租賃安排(2020年：無)。

The following is a credit quality analysis of these finance lease receivables:

以下為融資租賃服務應收款項的信貸質素分析：

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Not past due	未逾期	**84,574**	19,804
Overdue	已逾期	**122,683**	123,999
		207,257	143,803

The receivables are secured by assets leased under finance leases and cash deposits (where applicable).

該應收款項以融資租賃資產及現金按金(如適用)作為抵押。

20. LOAN RECEIVABLES (Continued)

(A) FINANCE LEASE RECEIVABLES (Continued)

Cash deposits from finance lease customers are collected upfront based on certain percentage of the entire value of the lease contracts. When the lease contracts expire and all related liabilities and obligations are fulfilled by the customers, the cash deposit will be returned in full. The balance of the cash deposit can also be used to settle any outstanding lease receivables for the corresponding lease contract. The collected cash deposits of RMB1,310,000 (2020: RMB1,310,000) have been included in "other payables and accruals" in the consolidated statement of financial position.

At the end of the reporting period, RMB69,057,000 (2020: RMB48,245,000) of the Group's finance lease receivables was impaired.

(B) FACTORING RECEIVABLES

The Group's factoring receivables arise from the provision of factoring services to companies located in PRC. The credit period granted to each customer is generally within 365 days.

Factoring receivables are secured by receivables and/or commercial bills originally owned by the customers. These receivables carry interest at rates ranging from 6.00% to 14.00% (2020: 8.04% to 12.00%) per annum.

20. 應收借款(續)

(A) 融資租賃服務應收款項(續)

融資租賃服務客戶現金按金乃基於租賃合約全部價值的若干百分比預先收取。於租賃合約屆滿以及客戶履行所有相關責任及義務後，該現金按金將會全部退還。現金按金結餘亦可用於結算相應租賃合約的任何尚未收取的租賃服務應收款項。已收取的現金按金人民幣1,310,000元(2020年：人民幣1,310,000元)已計入綜合財務狀況表的「其他應付款項及應計費用」內。

於報告期末，人民幣69,057,000元(2020年：人民幣48,245,000元)的本集團的融資租賃服務應收款項已減值。

(B) 保理服務應收款項

本集團的保理服務應收款項來自向中國公司提供保理服務。授予各客戶的信用期限一般為365天內。

保理服務應收款項以原來由客戶擁有的應收款項及／或商業匯票抵押。該等應收款項按介乎6.00%至14.00%(2020年：8.04%至12.00%)的年利率計息。

20. LOAN RECEIVABLES (Continued)

(B) FACTORING RECEIVABLES (Continued)

The maturity profile of the factoring receivables at the end of the reporting period is as follows:

20. 應收借款(續)

(B) 保理服務應收款項(續)

於報告期末，保理服務應收款項的到期情況如下：

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
With a residual maturity of:	尚餘期限：		
Not more than 3 months	不多於3個月	**338,726**	19,219
Over 3 months to 6 months	3個月以上至6個月	**196,652**	158,410
Over 6 months to 12 months	6個月以上至12個月	**776,181**	479,803
Over 12 months to 24 months			

於報告期末，人民幣465,967,000元(2020年：人民幣159,500,000元)的本集團的保理服務應收款項已減值，其中人民幣306,467,000元(2020年：無)為個別客戶群撥備。

(C) 供應鏈融資服務應收款項

本集團的供應鏈融資服務應收款項來自向中國公司提供供應鏈融資服務。各客戶的信用期限一般為365天內。

該等應收款項按介乎9.60%至14.40%(2020年：9.72%至16.20%)的年利率計息。

若干供應鏈融資服務應收款項人民幣64,400,000元(2020年：人民幣125,660,000元)以若干公司權益及個人擔保作抵押。

20. LOAN RECEIVABLES (Continued)

(C) RECEIVABLES FROM SUPPLY-CHAIN FINANCING SERVICES (Continued)

The maturity profile of the receivables from supply-chain financing services at the end of the reporting period is as follows:

20. 應收借款(續)

(C) 供應鏈融資服務應收款項(續)

於報告期末，供應鏈融資服務應收款項的到期情況如下：

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
With a residual maturity of:	尚餘期限：		
Not more than 3 months	不多於3個月	**17,700**	84,810
Over 3 months to 6 months	3個月以上至6個月	**44,700**	30,550
Over 6 months to 12 months	6個月以上至12個月	**–**	10,300
Overdue	已逾期	**2,000**	–
		64,400	125,660

At the end of the reporting period, RMB2,000,000 (2020: Nil) of the Group's receivables from supply-chain financing services was impaired.

An impairment analysis is performed at each reporting date by considering the probability of default of those companies with financial conditions, historical loss experience, coverage by

於報告期末，人民幣2,000,000元(2020年：無)的本集團的供應鏈融資服務應收款項已減值。

透過財務狀況、歷史虧損經驗、信用證或其他形式的信用保險考慮該等公司的違約或然率，於各報告日期進行減值分析。於報告期末，餘下的應收借款違約的虧損並不重要及對本集團的綜合財務報表並無影響。

21. 其他非流動資產

22. 存貨

(A) 製造及貿易

(B) 物業發展

23. CONTRACT ASSETS/CONTRACT LIABILITIES 23. 合約資產／合約負債

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Contract assets	**合約資產**		
Non-current:	非流動：		
Concession operating right	特許經營權	**39,980**	78,411
Current:	流動：		
Renovation and installation works	裝修及安裝工程	**565,859**	441,970
Environmental engineering services( )Tj EMC 1 0 Td (Renovation (441,970)Tj ET EMC /Span <</)ang (en-US)/3>>> BDC 9 0 0			

本集團的合約資產指本集團於報告期末已完工但尚未向客戶就工程收取代價的權利。當該權利成為無條件時，合約資產將會轉移至貿易應收款項及票據，即本集團基於與客戶協定的核證金額向客戶發出進度計費。

於報告期末，人民幣20,787,000元（2020年：人民幣4,214,000元）確認為合約資產預期信貸虧損撥備。本集團與客戶的貿易條款及信貸政策披露於綜合財務報表附註24。

本集團的合約負債指本集團向客戶轉讓本集團已收取代價或應收客戶代價金額的貨品或服務的責任。

23. CONTRACT ASSETS/CONTRACT LIABILITIES (Continued)

23. 合約資產／合約負債(續)

The expected timing of recovery or settlement for contract assets at the end of the reporting period is as follows:

於報告期末，收回或結算合約資產的預計時間如下：

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Not more than 1 year	不多於1年	**576,901**	469,541
Over 1 year	1年以上	**39,980**	78,411
		616,881	547,952

The movements in the loss allowance for impairment of contract assets are as follows:

合約資產減值的虧損撥備變動如下：

	Note	2021 RMB'000	2020 RMB'000R

就裝修及安裝工程以及環境工程服務所產生的合約資產而言，本集團於各報告日期使用撥備矩陣進行減值分析以計量預期信貸虧損。計量合約資產的預期信貸虧損的撥備率乃按貿易應收款項及票據的預期信貸虧損釐定，乃由於合約資產和貿易應收款項及票據來自同一個客戶基礎。合約資產的撥備率就有類似虧損模式的貿易應收款項及票據的各客戶分部組別(即按地區、產品類型、客戶類型及評級，以及信用證或其他形式的信用保險)的發票日期釐定。該計算反映或然率加權的結果、貨幣時間值以及於報告日期可獲得有關過往事件、現況及未來經濟狀況預測的合理支持資料。

23. CONTRACT ASSETS/CONTRACT LIABILITIES (Continued)

23. 合約資產／合約負債(續)

Set out below is the information about the credit risk exposure on the Group's contract assets using a provision matrix:

以下載列有關本集團使用撥備矩陣計算的合約資產的信貸風險資料：

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Expected credit loss rate	預期信貸虧損率	**3.49%**	0.90%
Gross carrying amount	賬面總值	**596,021**	469,873
Expected credit losses	預期信貸虧損	**20,787**	4,214

For the contract assets arising from concession operating right, since the parties to concession agreements are local government authorities in PRC, the Group considers the credit risk is low as at the end of the reporting period. The Group does not hold any collateral over the balance.

就特許經營權所產生的合約資產而言，鑑於特許協議方為中國地方政府機關，本集團認為於報告期末的信貸風險為低。本集團並無就結餘持有任何抵押品。

24. TRADE AND BILLS RECEIVABLES

24. 貿易應收款項及票據

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Trade receivables	貿易應收款項	**4,478,861**	

本集團的主要客戶為中國內地的獨立分銷商、土木工程承建商、房地產開發商、公用事業公司及市政部門。本集團視乎市況、市場策略及與客戶的關係，可將其與獨立分銷商的貿易條款由按預收方式結算更改為授予一般一個月或多個月的信用期限(如適當)。本集團並無統一向非分銷商客戶授予標準的信用期限。個別非分銷商客戶的信用期限視乎個別情況而定，並在銷售合約中列明(如適當)。對小規模、新或短期客戶的銷售一般預期以預收方式或於交貨後短期內結算。本集團並無為小規模、新及短期客戶設立信用期限。

24. TRADE AND BILLS RECEIVABLES (Continued)

Trade and bills receivables are unsecured and interest-free.

An ageing analysis of the Group's trade and bills receivables at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

24. 貿易應收款項及票據(續)

貿易應收款項及票據均為無抵押及免息。

於報告期末，本集團的貿易應收款項及票據按發票日期並扣除虧損撥備後的賬齡分析如下：

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Not more than 3 months	不多於3個月	**1,699,679**	1,690,927
Over 3 months to 6 months	3個月以上至6個月	**739,355**	741,507
Over 6 months to 12 months	6個月以上至12個月	**1,033,348**	939,601
Over 1 year to 2 years	1年以上至2年	**544,819**	392,035
Over 2 years to 3 years	2年以上至3年	**174,842**	74,378
Over 3 years	3年以上	**20,399**	11,746
		4,212,442	3,850,194

The movements in the loss allowance for impairment of the Group's trade and bills receivables are as follows:

本集團貿易應收款項及票據減值的虧損撥備變動如下：

		Note 附註	2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
At 1 January	於1月1日		**263,527**	237,226
Acquisition of subsidiaries	收購附屬公司		**31,032**	–
Impairment losses recognised	已確認減值虧損	7	**977,947**	38,510
Amounts written off as uncollectible	撇銷為不可收回的金額		**(8,458)**	(12,209)
At 31 December	於12月31日		**1,264,048**	263,527

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on the invoice date for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

本集團於各報告日期使用撥備矩陣進行減值分析以計量預期信貸虧損。撥備率就有類似虧損模式的各客戶分部組別(即按地區、產品類型、客戶類型及評級，以及信用證或其他形式的信用保險)的發票日期釐定。該計算反映或然率加權的結果、貨幣時間值以及於報告日期可獲得有關過往事件、現況及未來經濟狀況預測的合理支持資料。

Impairment provision amounting to RMB822,861,000 were provided for trade and bills receivables from certain individual customers at the end of the reporting period after taking into account of the restriction on financing management and the financial position of these individual customers and credit enhancement held by the Group.

於報告期末，經考慮個別客戶的融資管理限制及財務狀況和本集團的信貸增強措施後，已就若干個別客戶的貿易應收款項及票據計提減值撥備人民幣822,861,000元。

24. TRADE AND BILLS RECEIVABLES (Continued)

Except for the receivables from certain individual customers mentioned above, the remaining trade and bills receivables are related to a large number of diversified customers and set out below is the information about the credit risk exposure on the Group's remaining trade and bills receivables using a provision matrix:

24. 貿易應收款項及票據(續)

除上述若干個別客戶的應收款項外，其餘貿易應收款項及票據與大量多元化客戶有關，以下為本集團使用撥備矩陣計算的剩餘貿易應收款項及及票據的信貸風險資料：

		2021				
		Within 1 year 1年內 RMB'000 人民幣千元	1 to 2 years 1至2年 RMB'000 人民幣千元	2 to 3 years 2至3年 RMB'000 人民幣千元	Over 3 years 3年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Expected credit loss rate	預期信貸虧損率	**3.17%**	**7.43%**	**16.27%**	**92.92%**	**10.73%**
Gross carrying amount	賬面總值	**3,025,117**	**588,574**	**208,825**	**288,069**	**4,110,585**
Expected credit losses	預期信貸虧損	**(95,779)**	**(43,755)**	**(33,983)**	**(267,670)**	**(441,187)**
		2,929,338	**544,819**	**174,842**	**20,399**	**3,669,398**

		2020				
		Within 1 year 1年內 RMB'000 人民幣千元	1 to 2 years 1至2年 RMB'000 人民幣千元	2 to 3 years 2至3年 RMB'000 人民幣千元	Over 3 years 3年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Expected credit loss rate	預期信貸虧損率	0.83%	6.62%	23.85%	94.01%	6.41%
Gross carrying amount	賬面總值	3,400,141	419,835	97,674	196,071	4,113,721
Expected credit losses	預期信貸虧損	(28,106)	(27,800)	(23,296)	(184,325)	(263,527)
		3,372,035	392,035	74,378	11,746	3,850,194

25. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

25. 預付款、按金及其他應收款項

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Prepayments	預付款	**1,062,751**	1,186,439
VAT recoverable	待抵扣增值稅	**672,511**	448,157
Corporate income tax recoverable	待抵扣企業所得稅	**22,587**	18,123
Deposits	按金	**152,239**	104,812
Other receivables	其他應收款項	**201,146**	102,166
Loan receivables from third parties	來自第三方應收借款	**97,454**	124,548
		2,208,688	1,984,245
Less: Provision for impairment	減：減值撥備	**(77,696)**	(109,653)
		2,130,992	1,874,592

25. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (Continued)

25. 預付款、按金及其他應收款項(續)

The movements in the loss allowance for impairment of the Group's prepayments and other receivables are as follows:

本集團預付款及其他應收款項減值的虧損撥備變動如下：

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
At 1 January	於1月1日	**109,653**	88,348
Impairment losses recognised	已確認減值虧損	**3,272**	21,305
Amounts written off as uncollectible	撇銷為不可收回的金額	**(35,229)**	–
At 31 December	於12月31日	**77,696**	109,653

Except for the loan receivables from third parties, the financial assets included in the above balances are unsecured, interest-free and receivable on demand. The effective interest rates of the loan receivables from third parties range from 6.44% to 15.00% (2020: 10.00% to 15.00%) per annum.

除來自第三方應收借款外，計入上述結餘的金融資產乃無抵押、免息及按要求收款。來自第三方應收借款的實際年利率介乎6.44%至15.00%(2020年：10.00%至15.00%)。

26. CASH AND BANK DEPOSITS

26. 現金及銀行存款

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Restricted cash:	受限制現金：		
Guarantee deposits for banking facilities	作為銀行融資的擔保按金	**1,471,793**	1,005,182
Cash and cash equivalents:	現金及現金等價物：		
Time deposits with original maturity of three months or less when acquired	定期存款(於獲取時原有期限為三個月或以下)	**736,129**	241,397
Cash and bank balances	現金及銀行結餘	**5,438,327**	6,200,857
		6,174,456	6,442,254
Cash and bank deposits	現金及銀行存款	**7,646,249**	7,447,436

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term time deposits are made for varying periods between one day and twelve months and earn interest at the respective short-term time deposit rates. The bank balances and restricted cash are deposited with creditworthy banks with no recent history of default.

存放於銀行的現金按每日銀行存款利率的浮動利率賺取利息。短期定期存款的期限介乎一天至十二個月不等並按各短期定期存款利率賺取利息。銀行結餘及受限制現金存放於近期無違約記錄且信譽良好的銀行。

27. ASSET HELD FOR SALE

The Group decided to sell one of its investment properties located in Sydney, Australia because the Group changed its development plan in Australia. At the end of the reporting period, this investment property was ready for sale and therefore was classified as asset held for sale. The disposal was completed on 13 January 2022.

27. 持作出售資產

由於本集團改變其在澳洲的發展計劃，故決定出售位於澳洲悉尼的其中一個投資物業。於報告期末，該投資物業已可供出售，因此被分類為持作出售資產。出售事項已於2022年1月13日完成。

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Asset held for sale	持作出售資產	**929,022**	–

This investment property was written up to the fair value of RMB929,022,000 before it was classified as asset held for sale, and a fair value gain of RMB496,349,000 was included in profit or loss for the year.

該投資物業在被分類為持作出售資產前，增值至公允價值人民幣929,022,000元，而人民幣496,349,000元的公允價值利益已計入本年度的損益中。

28. TRADE AND BILLS PAYABLES

28. 貿易應付款項及票據

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Trade payables	貿易應付款項	**1,880,896**	1,657,654
Bills payable	應付票據	**5,664,741**	4,020,554
		7,545,637	5,678,208

The trade payables are interest-free and are normally settled on terms of 30 to 90 days.

貿易應付款項乃免息，結算期限通常為30至90天。

An ageing analysis of the Group's trade and bills payables at the end of the reporting period, based on the invoice date, is as follows:

於報告期末，本集團的貿易應付款項及票據按發票日期的賬齡分析如下：

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Not more than 3 months	不多於3個月	**4,465,850**	3,752,988
Over 3 months to 6 months	3個月以上至6個月	**2,558,088**	1,725,541
Over 6 months to 12 months	6個月以上至12個月	**356,633**	103,177
Over 1 year to 2 years	1年以上至2年	**96,590**	45,885
Over 2 years to 3 years	2年以上至3年	**24,736**	16,130
Over 3 years	3年以上	**43,740**	34,487
		7,545,637	5,678,208

30. BORROWINGS (Continued)

Note:

(a) The effective interest rates of the Group's borrowings range from 0.86% to 5.80% (2020: 1.08% to 7.60%) per annum.

(b) At the end of the reporting period, the secured bank loans are secured by land and its concession rights of a subsidiary, machineries and equipment of a subsidiary, leasehold lands and buildings of subsidiaries, loan receivables of a subsidiary, the concession rights of a subsidiary and personal guarantee provided by a shareholder of that subsidiary.

At 31 December 2020, the secured bank loans are secured by machineries and equipment of a subsidiary, leasehold lands and buildings of subsidiaries, investment property of a subsidiary, loan receivables of a subsidiary, the concession rights of a subsidiary and personal guarantee provided by a shareholder of that subsidiary.

(c) At the end of the reporting period, the Group's borrowings are denominated in US dollar, HK dollar, Renminbi, Australian dollar, Canadian dollar and Thai Baht which are equivalent to RMB7,701,244,000 (2020: RMB6,979,300,000), RMB2,996,486,000 (2020: RMB4,074,077,000), RMB5,572,419,000 (2020: RMB3,507,450,000), RMB843,519,000 (2020: RMB754,987,000), RMB691,000 (2020: RMB130,671,000) and RMB44,746,000 (2020: Nil), respectively.

30. 借款(續)

附註：

(a) 本集團借款的實際年利率介乎0.86%至5.80%不等(2020年：1.08%至7.60%)。

(b) 於報告期末，有抵押銀行貸款乃以一間附屬公司的土地及其特許經營權、一間附屬公司的機器及設備、附屬公司的租賃業權土地及樓宇、一間附屬公司的應收借款、一間附屬公司的特許經營權及其一名股東的個人擔保作抵押。

於2020年12月31日，有抵押銀行貸款乃以一間附屬公司的機器及設備、附屬公司的租賃土地及樓宇、一間附屬公司的投資物業、一間附屬公司的應收借款、一間附屬公司的特許經營權及其一名股東的個人擔保作抵押。

(c) 於報告期末，本集團以美元、港元、人民幣、澳元、加元及泰銖計值的借款分別等值於人民幣7,701,244,000元(2020年：人民幣6,979,300,000元)、人民幣2,996,486,000元(2020年：人民幣4,074,077,000元)、人民幣5,572,419,000元(2020年：人民幣3,507,450,000元)、人民幣843,519,000元(2020年：人民幣754,987,000元)、人民幣691,000元(2020年：人民幣130,671,000元)及人民幣44,746,000元(2020年：無)。

31. CONVERTIBLE LOANS

At the end of the reporting period, the convertible loans were recognised as a debt component and an equity component as follows:

		Debt component 債務部分 RMB'000 人民幣千元	Equity component 權益部分 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2020	於2020年1月1日	652,595	27,605	680,200
Interest expenses	利息開支	41,692	–	41,692
Increase in interest payable	應付利息增加	(16,346)	–	(16,346)
Interest paid	已付利息	(10,333)	–	(10,333)
Exchange realignment	匯兌調整	(40,246)	–	(40,246)

31. CONVERTIBLE LOANS (Continued)

Note:

(a) On 6 May 2019, the Group's wholly owned subsidiary entered into a convertible loan facilities agreement with ICBC International Investment Management Limited in the aggregate principal amount of US$100,000,000 (approximately equivalent to RMB684,025,000) (the "Convertible Loans"). The Convertible Loans bear interest at the rate of 3.40% plus LIBOR per annum. The Group drew down US$60,000,000 (approximately equivalent to RMB410,415,000) on 22 May 2019 and US$40,000,000 (approximately equivalent to RMB279,489,000) on 29 November 2019. The maturity dates are 21 May 2022 and 28 November 2022, respectively.

(b) The convertible loans contain two components, a debt component and an equity component. The initial fair values of the convertible loans were determined based on gross proceeds at drawdown. The initial fair values less allocated transaction costs of the debt component were estimated to be US$55,799,000 (approximately equivalent to RMB381,681,000) and US$36,982,000 (approximately equivalent to RMB258,432,000) as at the drawdown dates of using the Monte Carlo Model and Binomial Option Pricing Model, taking into account the terms and conditions of the convertible loans. In subsequent periods, the debt component is measured at amortised cost using the effective interest rate method. The residual amount less allocated transaction costs representing the value of the equity component of US$4,001,000 (approximately equivalent to RMB27,605,000) is included in convertible loans equity reserve.

31. 可換股貸款(續)

附註：

(a) 於2019年5月6日，本集團的全資附屬公司與工銀國際投資管理有限公司訂立可換股貸款融資協議，本金總額為100,000,000美元(相當於約人民幣684,025,000元)(「可換股貸款」)。該等可換股貸款按年利率3.40%加倫敦銀行同業拆借利率計息。於2019年5月22日，本集團提取60,000,000美元(相當於約人民幣410,415,000元)及於2019年11月29日提取40,000,000美元(相當於約人民幣279,489,000元)。到期日分別為2022年5月21日及2022年11月28日。

(b) 可換股貸款包含債務及權益兩個部分。可換股貸款的初始公允價值乃按提取時的所得款項總額釐定。債務部分之初始公允價值減已分配交易成本乃經考慮可換股貸款的條款及條件後，於提取日期根據蒙特卡羅定價模式及二項式期權定價模型估算為55,799,000美元(相當於約人民幣381,681,000元)及36,982,000美元(相當於約人民幣258,432,000元)。於其後期間，債務部分採用實際利率法按攤銷成本計量。餘下金額減已分配交易成本(即權益部分的價值)為4,001,000美元(相當於約人民幣27,605,000元)計入可換股貸款權益儲備。

32. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS

32. 長期僱員福利撥備

The movements in the present value of the defined benefit obligations are as follows:

界定福利責任現值變動如下：

		2021 RMB'000 人民幣千元
At 1 January	於1月1日	–
Acquisition of a subsidiary (note 39)	收購一間附屬公司(附註39)	6,056
Current service cost (note 7)	即期服務成本(附註7)	339
Interest expenses	利息開支	81
Actuarial loss arising from financial assumption changes	財務假設變動產生的精算虧損	(688)
Benefit paid	已付福利	(280)
Exchange differences on a foreign plan	海外計劃的匯兌差額	(289)
At 31 December	於12月31日	5,219

The principal actuarial assumptions used at the end of the reporting period are as follows:

於報告期末採用的主要精算假設如下：

		2021
Discount rate	貼現率	1.4% – 1.9%
Expected rate of salary increases	預期工資漲幅	3.0%
Staff turnover rate	員工流失率	0.0% – 31.0%

The Group does not expect to pay long-term employee benefits next year.

本集團預計下一年度不會支付長期僱員福利。

At the end of the reporting period, the weighted average duration of the liabilities for long-term employee benefits is 6 years to 10 years.

於報告期末，長期僱員福利負債的加權平均期限為6至10年。

32. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS (Continued)

32. 長期僱員福利撥備(續)

A quantitative sensitivity analysis for significant assumptions at the end of the reporting period is shown below:

於報告期末重大假設的定量敏感度分析列示如下：

		Increase in rate 百分比增加 %	Increase/(decrease) in defined benefit obligations 界定福利責任增加／(減少) RMB'000 人民幣千元	Decrease in rate 百分比減少 %	Increase/(decrease) in defined benefit obligations 界定福利責任增加／(減少) RMB'000 人民幣千元
2021					
Discount rate	貼現率	1	(324)	(1)	384
Expected rate of salary increases	預期工資漲幅	1	384	(1)	(344)
Staff turnover rate	員工流失率	1	(344)	(1)	61

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis is based on a change in a significant assumption, keeping all other assumptions constant. This may not be representative of an actual change in the defined benefit obligations as it is unlikely that changes in assumptions would occur in isolation of one another.

上述敏感度分析乃基於推斷主要假設於報告期末發生合理變動而對界定福利責任帶來的影響的方法釐定。敏感度分析乃基於一個重大假設變動時，而所有其他假設保持不變。此分析未必代表界定福利責任的實際變動，乃由於假設變動不大可能單獨發生。

33. OTHER FINANCIAL LIABILITIES

33. 其他金融負債

		Note 附註	2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Current	**流動**			
Selling right from non-controlling shareholders	非控股股東出售權益	(i)	**29,171**	10,960
Non-current	**非流動**			
Selling right from non-controlling shareholders	非控股股東出售權益	(i)	**–**	5,411
Debt portion with uncertain payment term	付款條款不確定之債務部分	(ii)	**42,188**	64,855
			42,188	70,266
			71,359	81,226

Note:

(i) The fair value of this financial liability has been estimated using valuation technique with unobservable inputs. Management has reviewed the valuation result by verifying all major inputs and assumptions as well as assessing the reasonableness of such valuation.

The Group entered into certain sale and purchase agreements to acquire 70% equity interest in Jiangsu Yongbao during 2018 and 70% equity interest in Spirolite (M) Sdn. Bhd. during 2020. Pursuant to the agreements, the non-controlling shareholders have the right to sell the remaining 30% equity interest to the Group within a two-year period after three years and two years from the respective dates of acquisitions.

(ii) The debt portion with uncertain payment term is managed and the performances are evaluated on fair value basis. Any change in fair value was recognised in profit or loss.

On 31 March 2020, the Group entered into a loan agreement with a third party in the amount of GBP8,400,000 (approximately equivalent to RMB73,198,000). The amount is interest-free and repayable according to the return of an equity investment held by the Group.

The fair value of this borrowing has been estimated using valuation technique with unobservable inputs. Management has reviewed the valuation result by verifying all major inputs and assumptions as well as assessing the reasonableness of such valuation.

附註：

(i) 此金融負債的公允價值已採用估值方法以不可觀察輸入數據估計。管理層已透過核實所有主要輸入數據及假設及評估該估值之合理性以審閱該估值結果。

本集團訂立若干買賣協議於2018年收購江蘇永葆70%的股本權益，以及於2020年收購Spirolite (M) Sdn. Bhd. 70%的股本權益。根據協議，非控股股東自各收購日期起三年後的兩年內及兩年後有權向本集團出售剩餘的30%股本權益。

(ii) 付款條款不確定之債務部分及其表現乃按公允價值為基準管理及評估。任何公允價值變動均於損益內確認。

本集團於2020年3月31日與一名第三方訂立一項有關借入8,400,000英鎊（相當於約人民幣73,198,000元）的貸款協議。該金額免息及參考本集團持有的股權投資的回報而還款。

該借款的公允價值已採用估值方法以不可觀察輸入數據估計。管理層已透過核實所有主要輸入數據及假設及評估該估值之合理性以審閱該估值結果。

34. DEFERRED TAX

The major deferred tax assets/(liabilities) recognised and their movements during the current and prior years are as follows:

		Fair value adjustments arising from investment properties 投資物業所產生的公允價值調整 RMB'000 人民幣千元	Provision for impairment of assets 資產的減值撥備 RMB'000 人民幣千元	Accelerated tax depreciation 加速稅項折舊 RMB'000 人民幣千元	Fair value adjustments arising from acquisitions of subsidiaries 收購附屬公司所產生的公允價值調整 RMB'000 人民幣千元	Withholding tax on distributable profits of subsidiaries in the PRC 中國附屬公司可分派溢利的預提所得稅 RMB'000 人民幣千元	Deferred income 遞延收益 RMB'000 人民幣千元	Loss available for offsetting against future taxable profit 可用作抵銷日後應課稅溢利的虧損 RMB'000 人民幣千元	Fair value adjustments arising from financial instrument at FVTPL 按公允價值計入損益的金融工具的公允價值調整 RMB'000 人民幣千元	Fair value adjustments of equity investments at fair value through OCI 按公允價值計入其他全面收益的股權投資的公允價值調整 RMB'000 人民幣千元	Re-measurement on defined benefit plan 界定福利計劃之重新計量 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2020	於2020年1月1日	(261,506)	86,562	4,148	(79,127)	(448,038)	15,920	1,671	–	–	–	(680,370)
Acquisition of subsidiaries	收購附屬公司	–	–	–	(16,615)	–	–	–	–	–	–	(16,615)
Credited/(charged) to profit or loss for the year (note 9)	計入／(扣自)年度損益(附註9)	(36,118)	8,180	(1,431)	4,065	(147,589)#	(9)	38,294	(5,588)	–	–	(140,196)
Exchange realignment	匯兌調整	138	–	25	253	–	–	5,135	–	–	–	5,551
At 31 December 2020 and 1 January 2021	於2020年12月31日及2021年1月1日	(297,486)	94,742	2,742	(91,424)	(595,627)	15,911	45,100	(5,588)	–	–	(831,630)
Acquisitions of subsidiaries (note 39)	收購附屬公司(附註39)	–	5,463	–	(45,114)	–	–	2,552	–	–	1,180	(35,919)
Credited/(charged) to profit or loss for the year (note 9)	計入／(扣自)年度損益(附註9)	(43,977)	152,398	(71,403)	4,723	(49,000)#	2,725	(39,029)	(2,216)	–	–	(45,779)
Credited/(charged) to other comprehensive income for the year	計入／(扣自)年度其他全面收益	–	–									

34. DEFERRED TAX (Continued)

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between mainland China and the jurisdictions of the foreign investors. The applicable rate for the Group is 5%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in mainland China in respect of their earnings generated from 1 January 2008.

At the end of the reporting period, the Group has not recognised deferred tax liabilities of RMB343,290,000 in respect of temporary differences relating to the undistributed profits of subsidiaries, amounting to RMB6,865,804,000, that would be payable on the distribution of these retained profits as the Company controls the dividend policy of these subsidiaries and it is probable that these profits will not be distributed in the foreseeable future.

34. 遞延稅項(續)

根據中國企業所得稅法，在中國內地成立的外資企業向外國投資者宣派的股息須繳納10%的預提所得稅。該規定自2008年1月1日起生效，適用於自2007年12月31日起獲得的盈利。倘中國內地與該外國投資者所在司法權區有簽訂稅務條約，則可按較低稅率繳納預提所得稅。本集團的適用稅率為5%。因此，就該等於中國內地成立的附屬公司就2008年1月1日起所得盈利而分派的股息而言，本集團須繳納預提所得稅。

於報告期末，由於本公司控制該等附屬公司的股息政策，且該等溢利於可見將來分派的可能性不大，故本集團並無確認該等附屬公司未分派溢利暫時差異為人民幣6,865,804,000元的遞延稅項負債為（須於分派該等保留溢利時支付）人民幣343,290,000元。

35. DEFERRED INCOME

Deferred income represents government grants received by the Group as financial subsidies for the renovation of factories and machineries or the construction of new factory premises in Guangdong, Changchun, Hunan, Hainan, Daqing, Hubei, Yunnan, etc. and rental income received in advance from certain of the Group's employees for leasing the staff quarters.

The government grants are released to profit or loss over the expected useful lives of the relevant premises by equal annual instalments, while rental income received in advance is recognised on the straight-line basis over the respective lease terms.

35. 遞延收益

遞延收益指本集團收取的政府補助，作為其在廣東、長春、湖南、海南、大慶、湖北及雲南等翻新工廠及機械與興建新工廠物業的財政補貼，以及自本集團向若干僱員預先收取的租賃員工宿舍租金收益。

政府補助於有關房產預期可使用年限內按年以等額撥入損益內確認，而預先收取的租金收益則按各自的租期以直線法確認。

36. SHARE CAPITAL

Shares	股份	2021	2020
Authorised:	**法定：**		
20,000,000,000 (2020: 20,000,000,000) ordinary shares of HK$0.05 each	20,000,000,000 (2020年：20,000,000,000) 股每股面值0.05港元的普通股	**HK$1,000,000,000** **1,000,000,000港元**	HK$1,000,000,000 1,000,000,000港元
Issued and fully paid:	**已發行及繳足：**		
3,102,418,400 (2020: 3,102,418,400) ordinary shares of HK$0.05 each	3,102,418,400 (2020年：3,102,418,400) 股每股面值0.05港元的普通股	**HK$155,120,920** **155,120,920港元**	HK$155,120,920 155,120,920港元

38. SHARE-BASED PAYMENTS (Continued)

(A) SHARE OPTION SCHEME (Continued)

The following share options were outstanding under the Share Option Scheme during the year:

38. 以股份為基礎的支付(續)

(A) 購股權計劃(續)

年內，購股權計劃項下尚未行使的購股權如下：

		Weighted average exercise price per share 每股加權平均行使價 HK$ 港元	Number of options 購股權數目
Granted during the year and at 31 December 2021	年內及於2021年12月31日已授出	228	29,666

No granted share options have been exercised during the year.

年內並沒有行使已授出的購股權。

The exercise prices and exercise periods of the share options outstanding as at the end of the reporting period are as follows:

於報告期末，尚未行使的購股權的行使價及行使期如下：

Number of options 購股權數目	Exercise price per share 每股行使價 HK$ 港元	Exercise period 行使期
14,833	228	15 January 2022 to 14 January 2031# 2022年1月15日至2031年1月14日#
14,833	228	15 January 2023 to 14 January 2031# 2023年1月15日至2031年1月14日#
29,666		

The vesting of share options is also subject to the participants' achievement of performance targets to be set by the Board. The Board will notify the participants, after considering the participants' performance and achievement of the pre-set targets, the revised date of commencement of the exercise period of the vested share options in accordance with the share option scheme.

購股權的歸屬視乎參與人是否達到董事會設定之績效目標而定。董事會經考慮參與人對預設目標之績效及成果後，將根據購股權計劃通知參與人已歸屬購股權之更新行使期開始日期。

The weighted average fair value of the options granted during the year was HK$290.92 each. The Group recognised a share option expense of RMB7,092,000 during the year ended 31 December 2021.

年內授出的購股權加權平均公允價值為每份290.92港元。本集團已確認截至2021年12月31日止年度的購股權開支為人民幣7,092,000元。

38. SHARE-BASED PAYMENTS (Continued)

(B) SHARE AWARD SCHEME

On 28 August 2018, the Company adopted a share award scheme (the "Share Award Scheme") to recognise the contributions by certain eligible persons to the Group and to offer suitable incentives to attract and retain targeted talent and personnel for the continual operation and future development of the Group.

The total amount of the funds contributed to the Scheme by the Company shall not exceed HK$750,000,000 and the Board shall at its absolute discretion to determine the amount of fund contributed to the Share Award Scheme for each financial year of the Company.

The Company shall not make any further grant of award which will result in the aggregate number of Shares underlying all grants made pursuant to the Share Award Scheme (excluding award shares that have been forfeited in accordance with the Share Award Scheme) to exceed 5% of the issued share capital of the Company without shareholders' approval. The total number of non-vested award shares granted to a selected participant under the Share Award Scheme shall not exceed 1% of the total number of issued shares at all time.

During the year, no ordinary shares of the Group on the Stock Exchange were purchased for the Share Award Scheme (2020: Nil). At the end of the reporting period, 22,991,000 ordinary shares have been purchased (2020: 22,991,000 ordinary shares).

No shares have been awarded under the Share Award Scheme since the adoption.

38. 以股份為基礎的支付(續)

(B) 股份獎勵計劃

本公司於2018年8月28日採納股份獎勵計劃(「股份獎勵計劃」)，以肯定若干合資格人士對本集團所作出的貢獻及給予適當激勵，藉此吸引及挽留目標人才及人員以促進本集團的持續經營及未來發展。

本公司對該計劃出資的資金總額不得超過750,000,000港元，而董事會將全權酌情釐定本公司在各財政年度對股份獎勵計劃出資的資金金額。

倘本公司根據股份獎勵計劃授出的所有相關股份(不包括根據股份獎勵計劃已沒收的獎勵股份)總數將超過本公司已發行股本的5%且未經股東批准，則不得再授出任何獎勵。每名選定參與人根據股份獎勵計劃可獲授的尚未歸屬獎勵股份總數，不得超過不時已發行股份總數的1%。

年內，本集團概無於聯交所購買普通股用於股份獎勵計劃(2020年：無)。於報告期末，本集團已購買22,991,000股普通股(2020年：22,991,000股普通股)。

本公司自採納股份獎勵計劃以來，並無根據股份獎勵計劃授出股份。

39. BUSINESS COMBINATION

39. 業務合併

During the year, the Group entered into sale and purchase agreements to acquire equity interests in the following companies:

年內，本集團訂立買賣協議，收購以下公司的股本權益：

Acquisition date 收購日期	Company name 公司名稱	Percentage of share 佔有比率	Consideration RMB 代價 人民幣	Principal activities 主要業務
2 February 2021 2021年2月2日	Heshan Fuyue New Material Technology Co., Ltd. ("Heshan Fuyue") 鶴山市富樾新型材料科技有限公司(「鶴山富樾」)	100%	66,586,000	Manufacture and sale of new metallic materials 製造及銷售新型金屬材料
12 March 2021 2021年3月12日	Jiangxi KingHing Aluminium Formwork Manufacturing Co., Ltd. ("Jiangxi KingHing") 江西省景興鋁模板製造有限公司(「江西景興」)	80%	10,000,000[1]	Manufacture and sale of aluminium formwork 製造及銷售鋁模板
8 May 2021 2021年5月8日	CNPW 中油佳匯	35%	196,328,000[1][2]	Manufacture and sale of waterproof materials 製造及銷售防水材料
26 May 2021 2021年5月26日	CNPW (Heshan) Co., Ltd. ("CNPW Heshan") 中油佳匯(鶴山)科技有限公司(「中油佳匯鶴山」)	100%	58,043,000	Manufacture and sale of waterproof materials 製造及銷售防水材料
27 August 2021 2021年8月27日	WIIK Public Company Limited and its subsidiaries ("WIIK") WIIK Public Company Limited 及其附屬公司(「WIIK」)	23.5%	139,838,000[3]	Manufacture and sale of plastic pipes and pipe fittings 製造及銷售塑料管道及管件
18 September 2021 2021年9月18日	CNPW Taizhou 中油佳匯泰州	100%	66,000,000	Manufacture and sale of waterproof materials 製造及銷售防水材料
27 September 2021 2021年9月27日	Century Xinghui Creative Park Investment Limited ("Century Xinghui") 世紀星輝創意園投資有限公司(「世紀星輝」)	100%	100	Property development 物業發展

39. BUSINESS COMBINATION (Continued)

39. 業務合併(續)

Acquisition date 收購日期	Company name 公司名稱	Percentage of share 佔有比率	Consideration RMB 代價 人民幣	Principal activities 主要業務
9 October 2021 2021年10月9日	Guangdong Xingfa 廣東興發	60%	18,000,000	Provision of solid waste treatment services 提供固體廢物處理服務
13 December 2021 2021年12月13日	EDA CLOUD 易達雲	31%	89,975,000[4]	Provision of internet technology and related services 提供互聯網科技及相關服務

The above acquisitions allow the Group to further diversify its businesses.

上述收購讓本集團進一步拓展其業務。

Note:

(1) During the year, the Group entered into an agreement with the controlling shareholders of Jiangxi KingHing and CNPW to transfer 80% equity interest and 35% equity interest to the Group, respectively, after which the controlling rights have also been transferred to the Group. Accordingly, the investment in the associates are remeasured to fair value at the date when the Group obtained the control and is deemed to have been disposed of in exchange for the consolidation of the subsidiaries. The resulting loss from the remeasurement is recognised in profit or loss.

(2) The total consideration included cash consideration amounting to RMB149,268,000 and consideration settled by loan receivables amounting to RMB47,060,000. The loan was lent to CNPW before the acquisition. As at the date of the acquisition, the outstanding loan was deemed to have been fully settled by CNPW and constituted part of the consideration.

(3) During the year, the Group's equity interest in WIIK increased from 24.25% to 47.75% through the issuance of additional directional shares by WIIK. In view of the absolute high shareholding held by the Group of 47.75% and the relative shareholding held by the other shareholders, and the parties that would need to act together to outvote the Group, management believes that the Group would have the power over and the ability to direct the relevant activities of WIIK. Accordingly, the investment in the associate is remeasured to fair value at the date when the Group obtained the control and is deemed to have been disposed of in exchange for the consolidation of the subsidiary. The resulting loss from the remeasurement is recognised in profit or loss.

The total consideration to acquire WIIK amounted to THB702,000,000 (approximately equivalent to RMB139,838,000).

(4) During the year, the Group entered into an agreement with the controlling shareholders to transfer 31.07% equity interest in EDA CLOUD to the Group, after which the controlling rights have also been transferred to the Group. Accordingly, the investment in the associate is remeasured to fair value at the date when the Group obtained the control and is deemed to have been disposed of in exchange for the consolidation of the subsidiary. The resulting loss from the remeasurement is recognised in profit or loss.

附註：

(1) 年內，本集團與江西景興及中油佳匯的控股股東訂立協議，分別將80%股權及35%股權轉讓予本集團，此後控制權亦已轉讓予本集團。因此，於聯營公司的投資於本集團取得控制權當日重新計量至公允價值，並被視為已出售以換取附屬公司合併。重新計量產生的虧損於損益中確認。

(2) 總代價包括現金代價人民幣149,268,000元及以應收借款結清的代價人民幣47,060,000元。該貸款乃於收購前借出予中油佳匯。於收購日，未償還之貸款被視為中油佳匯已全數結清，並構成代價的一部分。

(3) 於年內，通過由WIIK發行額外定向股份，本集團於WIIK的股權由24.25%增至47.75%。鑑於本集團持有47.75%的絕對高持股比例及其他股東持有的相對持股比例，以及各方需要共同行動以壓倒本集團，管理層相信本集團將有權及有能力指導WIIK的相關活動。因此，於聯營公司的投資於本集團取得控制權當日重新計量至公允價值，並被視為已出售以換取附屬公司合併。重新計量產生的虧損於損益中確認。

收購WIIK的總代價為702,000,000泰銖(相當於約人民幣139,838,000元)。

(4) 年內，本集團與控股股東訂立協議，將易達雲的31.07%股權轉讓予本集團，此後控制權亦已轉讓予本集團。因此，於聯營公司的投資於本集團取得控制權當日重新計量至公允價值，並被視為已出售以換取附屬公司合併。重新計量產生的虧損於損益中確認。

39. BUSINESS COMBINATION (Continued)

The fair values of the identifiable assets and liabilities of the above companies acquired at the dates of acquisitions assumed by the Group are as follows:

39. 業務合併(續)

於收購日，本集團收購上述公司的可識別資產及負債的公允價值如下：

		Heshan Fuyue 鶴山富樾 RMB'000 人民幣千元	Jiangxi KingHing 江西景興 RMB'000 人民幣千元	CNPW 中油佳匯 RMB'000 人民幣千元	CNPW Heshan 中油佳匯鶴山 RMB'000 人民幣千元	WIIK WIIK RMB'000 人民幣千元	CNPW Taizhou 中油佳匯泰州 RMB'000 人民幣千元	Century Xinghui 世紀星輝 RMB'000 人民幣千元	Guangdong Xingfa 廣東興發 RMB'000 人民幣千元	EDA# CLOUD 易達雲# RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	48,175	6,391	99,928	42,814	218,712	93,404	96	11,415	7,331	528,266
Right-of-use assets	使用權資產	12,821	–	–	10,927	12,239	25,780	–	–	161,019	222,786
Other intangible assets	其他無形資產	–	175	67,857	–	58,191	–	–	–	74,400	200,623
Investment properties	投資物業	–	–	–	–	–	–	189,949	–	–	189,949
Deposit paid for the purchase of land, property, plant and equipment	購買土地、物業、廠房及設備所支付的按金	–	–	–	200	99	–	–	5,405	–	5,704
Interests in associates	於聯營公司的權益	–	–	–	–	–	–	–	–	3,000	3,000
Contract assets-non current	合約資產 — 非流動	–	–	–	–	42,296	–	–	–	–	42,296
Other financial assets	其他金融資產	–	–	–	–	5,927	–	–	–	30,000	35,927
Other non-current assets	其他非流動資產	–	–	–	–	–					

易達雲的可識別資產及負債的公允價值仍在進行評估，且可識別資產及負債的公允價值資料是暫定的。

39. BUSINESS COMBINATION (Continued)

None of the goodwill recognised is expected to be deductible for income tax purposes.

Since the acquisitions, these subsidiaries contributed RMB477,378,000 to the Group's revenue and recognised a profit of RMB26,236,000 in profit or loss for the year.

Had the combinations taken place at the beginning of the year, the Group's revenue and profit for the year would have been increased by RMB545,029,000 and RMB44,533,000, respectively.

39. 業務合併(續)

就計繳所得稅而言，所有已確認的商譽皆不可扣稅。

自收購以來，該等附屬公司為本集團收入貢獻人民幣477,378,000元，並於本年度的損益內確認溢利人民幣26,236,000元。

倘該合併於年初進行，本集團於本年度的收入及溢利將分別增加人民幣545,029,000元及人民幣44,533,000元。

40. CONTINGENT LIABILITIES

At the end of the reporting period, the Group did not have any significant contingent liabilities (2020: Nil).

40. 或然負債

於報告期末，本集團並無任何重大或然負債(2020年：無)。

41. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

41. 承擔

於報告期末，本集團擁有以下資本承擔：

		2021 **RMB'000** **人民幣千元**	2020 RMB'000 人民幣千元
Contracted, but not provided for:	已訂約但尚未撥備：		
Property, plant and equipment and investment properties	物業、廠房及設備和投資物業	**2,544,225**	2,404,045

42. RELATED PARTY TRANSACTIONS AND BALANCES

(A) THE GROUP'S MATERIAL TRANSACTIONS WITH RELATED PARTIES DURING THE YEAR

		Note 附註	**2021** **RMB'000** **人民幣千元**	2020 RMB'000 人民幣千元
Connected transactions	**關連交易**			
Transactions with companies under the common control of a director:	於多間共同受一位董事控制的公司的交易：			
Sales of goods, services, utilities and others				

42. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(A) THE GROUP'S MATERIAL TRANSACTIONS WITH RELATED PARTIES DURING THE YEAR (Continued)

Note: (Continued)

(v) Purchases of machinery, equipment, electronic accessories and other intangible assets from related companies were made with reference to the prices and conditions offered by the related companies to their third-party customers.

(vi) Hotel expenses were based on mutually agreed terms.

(vii) During the year ended 31 December 2020, the consideration was determined after arm's length negotiation with reference to (i) the appraised value of the total equity interest in a subsidiary as at 30 September 2020, amounting to RMB71,119,000, as set out in the valuation report prepared by Foshan Dingxing Asset Appraisal Firm, an independent asset appraisal firm, and (ii) the proportion of equity interest being acquired by the Group under the acquisition.

(viii) Properties including office premises, cafeteria, workshops, warehouses and yacht were leased to the Group based on mutually agreed terms.

(ix) Purchases of goods, equipment, utilities and rental services from associates were made on normal commercial terms negotiated on an arm's length basis by the parties with reference to the prevailing market prices.

(x) The covenants of loans to associates were based on mutually agreed terms.

(xi) Services were provided by a joint venture based on mutually agreed terms.

These related party transactions constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules but are exempted from complying with the disclosure requirements under the Listing Rules.

42. 關聯人士交易及結餘(續)

(A) 年內本集團與關聯人士的重大交易(續)

附註：(續)

(v) 機器、設備、電子配件和其他無形資產乃經參考關聯公司向第三方客戶開出的價格及條件後向關聯公司購買。

(vi) 酒店費用乃按雙方協定的條款計算。

(vii) 於截至2020年12月31日止年度，代價乃參照(i)由獨立資產評估事務所佛山市鼎興資產評估事務所編製的估值報告所載的一間附屬公司於2020年9月30日評估的股本權益總額估值人民幣71,119,000元及(ii)收購事項下本集團所收購的股本權益比例後經公平磋商釐定。

(viii) 物業包括辦公室、食堂、車間、倉庫及遊艇，乃按雙方協定的條款租予本集團。

(ix) 貨品、設備、公用事業及租賃服務乃按雙方參考當前市場價格經公平磋商協定的正常商業條款向聯營公司購買。

(x) 貸款予聯營公司的契諾乃根據共同協定的條款釐定。

(xi) 合營企業乃按雙方協定的條款提供服務。

該等關聯人士交易亦構成上市規則第14A章所界定的關連交易或持續關連交易，惟豁免遵守上市規則的披露規定。

42. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(B) BALANCES WITH RELATED PARTIES

		Note 附註	2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Balances with companies under the common control of a director arising from:	於多間共同受一位董事控制的公司的結餘來自：			
Deposits paid for the purchase of machinery and/or equipment	購買機器及／或設備所支付的按金	(i)	**203,216**	128,056
Purchases of machinery and/or equipment	採購機器及／或設備	(ii)	**61,209**	42,844
Sales of module, utilities and others	銷售模塊、公用事業及其他	(iii)	**8,206**	8,551
Balances with associates arising from:	於聯營公司的結餘來自：			
Purchases of goods, equipment, utilities and rental services	採購貨品、設備、公用事業及租賃服務	(ii)	**14,515**	93,312

42. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(C) COMMITMENTS WITH RELATED PARTIES

Certain of the Group's subsidiaries have entered into lease agreements with a director and a company under the common control of a director to lease properties for operations, and sale and purchase agreements with a company under the common control of a director to purchase machinery and/or equipment for production. The capital commitments of RMB139,205,000 (2020: RMB100,619,000) have been included in note 41 to the consolidated financial statements.

(D) COMPENSATION OF THE GROUP'S KEY MANAGEMENT PERSONNEL

The remuneration of the Company's directors and the senior management was as follows:

42. 關聯人士交易及結餘(續)

(C) 與關聯人士的承諾事項

本集團若干附屬公司為租賃物業作經營用途與一名董事及一間共同受一位董事控制的公司訂立租賃協議，並為購買機器及／或設備作生產用途與一間共同受一位董事控制的公司訂立買賣協議。人民幣139,205,000元(2020年：人民幣100,619,000元)的資本承擔包含於綜合財務報表附註41。

(D) 本集團主要管理人員薪酬

本公司董事及高級管理層的薪酬如下：

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Short-term employee benefits	短期僱員福利	**33,105**	20,004
Post-employment benefits	退休後福利	**269**	258
Equity-settled share option expense	以股本付款之購股權開支	**3,274**	–
		36,648	20,262

43. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

43. 金融工具的公允價值計量(續)

(B) FAIR VALUE OF THE FINANCIAL INSTRUMENTS (Continued)

(B) 金融工具的公允價值(續)

The fair values of other long-term receivables, long-term loan receivables from third parties, non-current portion of borrowings and other long-term payables have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The difference between carrying amount and fair value of the non-current portion of borrowings as at 31 December 2021 were assessed to be insignificant because most of them bear interest at floating interest rates. The carrying amounts of the other long-term receivables, long-term loan receivables from third parties and other long-term payables are not materially different from their fair values due to the immaterial amount.

其他長期應收款項、來自第三方長期應收貸款、借款的非流動部分及其他長期應付款項的公允價值以具有類似條款、信貸風險及剩餘期限的工具的現時可取得的利率貼現預期未來現金流量而計算。於2021年12月31日借款的非流動部分的賬面值與公允價值差異被評定為微不足道，因為它們大部分按浮動利率計息。其他長期應收款項、來自第三方長期應收貸款及其他長期應付款項的賬面值由於金額並不重大，故與其公允價值並無重大差異。

Assets measured at fair value:

按公允價值計量的資產：

		2021 Fair value hierarchy 公允價值架構			
		Level 1 第一級 RMB'000 人民幣千元	Level 2 第二級 RMB'000 人民幣千元	Level 3 第三級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Other financial assets	**其他金融資產**				
Debt instruments at FVTOCI	按公允價值計入其他全面收益的債務工具	–	173,573	–	173,573
Debt instruments at FVTPL	按公允價值計入損益的債務工具	–	30,000	104,530	134,530
Equity instruments at FVTOCI	按公允價值計入其他全面收益的股本工具	578,749	275,391	614,250	1,468,390
Equity instruments at FVTPL	按公允價值計入損益的股本工具	909,790	–	150,775	1,060,565
Funds at FVTPL	按公允價值計入損益的基金	–	16,480	–	16,480
Derivative financial instruments	衍生金融工具	–	–	669	669
		1,488,539	495,444	870,224	2,854,207

43. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

43. 金融工具的公允價值計量(續)

(B) FAIR VALUE OF THE FINANCIAL INSTRUMENTS (Continued)

(B) 金融工具的公允價值(續)

		2020 Fair value hierarchy 公允價值架構			
		Level 1 第一級 RMB'000 人民幣千元	Level 2 第二級 RMB'000 人民幣千元	Level 3 第三級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Other financial assets	**其他金融資產**				
Debt instruments at FVTOCI	按公允價值計入其他全面收益的債務工具	–	54,639	–	54,639
Equity instruments at FVTOCI	按公允價值計入其他全面收益的股本工具	1,405,096	179,686	305,633	1,890,415
Equity instruments at FVTPL	按公允價值計入損益的股本工具	688,179	–	53,958	742,137
Funds at FVTPL	按公允價值計入損益的基金	–	18,730	–	18,730
		2,093,275	253,055	359,591	2,705,921

The movements in fair value measurements within Level 3 during the year are as follows:

年內第三級內的公允價值計量變動如下：

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
At 1 January	於1月1日	**359,591**	69,903
Additions	添置	**422,346**	297,231
Unrealised gain recognised in profit or loss	於損益內確認的未實現利益	**3,144**	1,076
Unrealised gain recognised in other comprehensive income	於其他全面收益內確認的未實現利益	**126,925**	–
Disposal loss included in profit or loss	損益內之出售虧損	**(206)**	–
Disposal (loss)/gain included in other comprehensive income	其他全面收益內之出售(虧損)／利益	**(31,965)**	12,873
Disposal	出售	**(6,979)**	(18,000)
Exchange realignment	匯兌調整	**(2,632)**	(3,492)
At 31 December	於12月31日	**870,224**	359,591

43. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

43. 金融工具的公允價值計量(續)

(B) FAIR VALUE OF THE FINANCIAL INSTRUMENTS (Continued)

(B) 金融工具的公允價值(續)

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at the end of the reporting period:

以下為於報告期末金融工具估值的重大不可觀察輸入數據連同定量敏感度分析的概要：

	Valuation technique 估值方法	Significant unobservable input 重大不可觀察輸入數據	Sensitivity of fair value to the input 公允價值對輸入數據的敏感度
Equity instruments at FVTOCI 按公允價值計入其他全面收益的股本工具	Net asset value approach 資產淨值法	Net asset values 資產淨值	N/A 不適用
Funds at FVTPL 按公允價值計入損益的基金	Net fund value approach 基金淨值法	Net asset values of the funds, determined with reference to observable (quoted) prices of underlying investment portfolio 基金的資產淨值(經參考相關投資組合的可觀察報價)	N/A 不適用
Debt instruments at FVTPL 按公允價值計入損益的債務工具	P/E Ratio method 市盈率方法	Conversion probability of 90% 90%轉換或然率	10% increase in probability would result in increase in fair value by RMB68,000 或然率上升10%將導致公允價值增加人民幣68,000元 10% decrease in probability would result in decrease in fair value by RMB68,000 或然率下跌10%將導致公允價值減少人民幣68,000元
Equity instruments at FVTPL 按公允價值計入損益的股本工具	Black-Scholes model and discounted cash flow model 布萊克 — 舒爾斯模型及貼現現金流量模型	Discount rate of 18.5% 18.5%貼現率	1% increase in discount rate would result in decrease in fair value by RMB3,190,000 貼現率上升1%將導致公允價值減少人民幣3,190,000元 1% decrease in discount rate would result in increase in fair value by RMB4,016,000 貼現率下跌1%將導致公允價值增加人民幣4,016,000元

43. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

43. 金融工具的公允價值計量(續)

(B) FAIR VALUE OF THE FINANCIAL INSTRUMENTS (Continued)

(B) 金融工具的公允價值(續)

	Valuation technique 估值方法	Significant unobservable input 重大不可觀察輸入數據	Sensitivity of fair value to the input 公允價值對輸入數據的敏感度
Other financial liabilities 其他金融負債	Monte Carlo method and discounted cash flow model 蒙特卡羅方法及貼現現金流量模型	Discount rate of 12.5% 12.5%貼現率	1% increase in discount rate would result in increase in fair value by RMB11,480,000 貼現率上升1%將導致公允價值增加人民幣11,480,000元 1% decrease in discount rate would result in decrease in fair value by RMB10,940,000 貼現率下跌1%將導致公允價值減少人民幣10,940,000元
	Monte Carlo method 蒙特卡羅方法	Equity price fluctuation rate of 50% 50%股本價格波動率	1% increase in equity price fluctuation rate would result in increase in fair value by RMB172,000 股本價格波動率上升1%將導致公允價值增加人民幣172,000元 1% decrease in equity price fluctuation rate would result in decrease in fair value by RMB172,000 股本價格波動率下跌1%將導致公允價值減少人民幣172,000元

The discount for lack of marketability represents the amounts of premiums and discounts determined by the Group that market participants would take into account when pricing the investments.

缺乏市場流動性的折讓乃指本集團所釐定市場參與者會於投資定價時考慮的溢價及折讓金額。

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise borrowings and cash and short-term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade and other receivables and trade and other payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk, liquidity risk and equity price risk. As the Group's exposure to these risks is kept to a minimum, the Group has not used any derivatives and other instruments for hedging purposes. The Group does not hold or issue derivative financial instruments for trading purposes. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

INTEREST RATE RISK

44. 金融風險管理目標及政策

本集團的主要金融工具包括借款以及現金及短期存款。該等金融工具的主要用途乃為本集團的營運籌集資金。本集團亦有其他由業務直接產生的不同金融資產及負債，例如貿易應收款項及其他應收款項和貿易應付款項及其他應付款項。

本集團金融工具產生的主要風險為利率風險、外幣風險、信貸風險、流動資金風險及股本價格風險。由於本集團所承擔的該等風險維持於最低水平，本集團並無使用任何衍生工具及其他工具以作對沖之用。本集團並無持有或發行衍生金融工具以作買賣之用。董事會已審閱並同意該等風險管理的政策，茲概述如下。

利率風險

浮動利率工具將導致本集團面臨現金流量利率風險，而固定利率工具將導致本集團面臨公允價值利率風險。

下表顯示假設於報告期末尚未償還的浮動利率借款於全年仍未償還，且所有其他變數保持不變，本集團除稅前溢利對合理可能的利率變動的敏感度。

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

FOREIGN CURRENCY RISK

The Group's main businesses are located in mainland China and most of the transactions are conducted in Renminbi. Most of the Group's assets and liabilities are denominated in Renminbi, except for certain cash and bank deposits and trade and bills receivables denominated in HK dollar and US dollar. The Group has not hedged its foreign exchange rate risk.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the Renminbi against the relevant currencies, with all other variables held d((dec)-3(e)16 >>BDC BT /T1_0 1 Tf 0.019 Tw 9 0 0 9 828 574.0242 Tm (htinued))Tj ET 4t2.3961 /4ange rate re Gro$/US$16 >>BD

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

CREDIT RISK

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk in relation to its trade and bills receivables, contract assets, loan receivables, other receivables, debt instruments at FVTOCI and cash and bank deposits.

The concession operating right of the Group represents sewage treatment service concession financial receivables in respect of Build-operate-transfer ("BOT") arrangements. Since the parties to BOT arrangements are local government authorities in the PRC, the Group considers the credit risk is low at the end of the reporting period. The Group does not hold any collateral over these balances.

In relation to the Group's financial service business, the Group has a credit team which is responsible for the evaluation of customers' credit ratings, financial background and repayment abilities. The Group only provides credit to customers with creditworthiness and collateral is normally required. Except for the individual customers with specific credit risk and whose balances have been impaired, the risk of default in payment by these customers is considered not significant.

The Group has certain concentration of credit risk as the Group's major customers are from or are related to the real estate industry, but the Group has policies in place to ensure that sales are made to purchasers with an appropriate financial strength and appropriate percentage of down payments. It also has other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews regularly the recoverable amount of each individual trade and bills receivables and contract assets to ensure that adequate impairment losses are made for irrecoverable amounts. The Group has no significant concentrations of credit risk, with exposure spread over a large number of counterparties and customers.

For other receivables, an impairment analysis is performed by management at the end of each reporting period by considering historical settlement records, past experience and future economic conditions. The directors of the Company believe that there is no material credit risk inherent in the Group's outstanding balance of other receivables.

44. 金融風險管理目標及政策(續)

信貸風險

信貸風險指因交易對手無法履行其於金融工具或客戶合約項下責任而蒙受財務虧損的風險。本集團所面臨的信貸風險與其貿易應收款項及票據、合約資產、應收借款、其他應收款項、按公允價值計入其他全面收益的債務工具以及現金及銀行存款有關。

本集團的特許經營權指有關建造、營運及移交(「建造、營運及移交」)安排的特許污水處理服務的金融應收款項。於報告期末，鑑於建造、營運及移交安排的訂約方均為中國地方政府機關，故本集團認為信貸風險偏低。本集團並無就有關結餘持有任何抵押品。

有關本集團的金融服務業務，本集團擁有信貸團隊負責評估客戶的信貸評級、財務背景及償還能力。本集團僅向信譽良好的客戶提供信貸及一般須提供抵押品。除具特定信貸風險且其結餘已減值的個別客戶外，該等客戶的付款拖欠風險並不重大。

由於本集團的主要客戶來自房地產或與其相關的行業，本集團有若干信貸風險集中情況，惟本集團訂有政策以確保向擁有穩健財政實力及可支付適當百分比之首期付款的買方作出銷售，亦設有其他監控程序以確保採取跟進行動收回逾期債務。此外，本集團定期審閱各項個別貿易應收款項及票據和合約資產的可收回金額，以確保就不可收回金額作出足夠的減值虧損。本集團的信貸風險源自多名交易對手及客戶，故並無重大信貸風險集中的情況。

就其他應收款項而言，管理層透過考慮歷史結算記錄、過往經驗及將來經濟狀況於各報告期末進行減值分析。本公司董事認為，本集團其他應收款項的未償還結餘並無重大固有信貸風險。

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

CREDIT RISK (Continued)

The Group's debt instruments at FVTOCI comprised solely of quoted bonds that are graded in the top investment category and therefore, are considered to be low credit risk investments.

Bank deposits are mainly placed with state-owned financial institutions and reputable banks which are all high-credit-quality financial institutions.

The Group considers the probability of default upon initial recognition of financial assets and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on the invoice date unless other information is available without undue cost or effort, and year-end staging classification as at the end of each reporting period. The amounts presented are gross carrying amounts for financial assets and the exposure to credit risk for the financial guarantee contracts.

44. 金融風險管理目標及政策(續)

信貸風險(續)

本集團於按公允價值計入其他全面收益的債務工具僅由獲評為最高投資級別的上市債券組成，因而被視為低信貸風險投資。

銀行存款主要存放於國有金融機構及信譽良好的銀行(均為具有高信貸質素的金融機構)。

本集團於初始確認金融資產時考慮違約或然率，並考慮各報告期內的信貸風險有否持續顯著增加。為評估信貸風險是否顯著增加，本集團將於報告日期資產發生違約的風險與於初始確認日期的違約風險進行比較。本集團考慮可獲得的合理支持性前瞻資料。

最高風險及年末階段分類

下表載列基於本集團信貸政策的信貸質素與最高信貸風險承擔(除非毋須付出不必要成本或努力即可獲得其他資料，否則主要以發票日期為基準)及各報告期末的年末階段分類。所呈列的金額為金融資產的總賬面值及財務擔保合約的信貸風險承擔。

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

44. 金融風險管理目標及政策(續)

CREDIT RISK (Continued)

信貸風險(續)

Maximum exposure and year-end staging (Continued)

最高風險及年末階段分類(續)

		2021				
		12-month ECLs 12個月預期信貸虧損	Lifetime ECLs 整個存續期預期信貸虧損			
		Stage 1 第一階段 RMB'000 人民幣千元	Stage 2 第二階段 RMB'000 人民幣千元	Stage 3 第三階段 RMB'000 人民幣千元	Simplified approach 簡化方法 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Loan receivables	應收借款	1,185,066	53,626	–	–	1,238,692
Contract assets#	合約資產#	–	–	–	616,881	616,881
Trade and bills receivables#	貿易應收款項及票據#	–	–	–	4,212,442	4,212,442
		1,185,066	53,626	–	4,829,323	6,068,015

		2020				
		12-month ECLs 12個月預期信貸虧損	Lifetime ECLs 整個存續期預期信貸虧損			
		Stage 1 第一階段 RMB'000 人民幣千元	Stage 2 第二階段 RMB'000 人民幣千元	Stage 3 第三階段 RMB'000 人民幣千元	Simplified approach 簡化方法 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Loan receivables	應收借款	1,014,650	–	–	–	1,014,650
Contract assets#	合約資產#	–	–	–	547,952	547,952
Trade and bills receivables#	貿易應收款項及票據#	–	–	–	3,850,194	3,850,194
		1,014,650	–	–	4,398,146	5,412,796

For contract assets and trade and bills receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in notes 23 and 24 to the consolidated financial statements, respectively.

就本集團採用簡化方法估算減值的合約資產和貿易應收款項及票據而言，基於撥備矩陣的資料分別披露於綜合財務報表附註23及24。

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

44. 金融風險管理目標及政策(續)

LIQUIDITY RISK

The Group aims to maintain sufficient cash and cash equivalents and available funding through various sources of finances to meet its commitments.

The maturity profile of the Group's financial liabilities at the end of each of the reporting periods, based on the contractual undiscounted payments, is as follows:

流動資金風險

本集團致力維持充裕的現金及現金等價物，並透過不同渠道為其承擔獲得資金。

以合約未折讓付款為基準，本集團於各報告期末的金融負債到期情況如下：

		2021			
		Within 1 year 1年內 RMB'000 人民幣千元	1 to 2 years 1至2年 RMB'000 人民幣千元	Over 2 years 2年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Trade and bills payables	貿易應付款項及票據	7,545,637	–	–	7,545,637
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的金融負債	1,435,195	–	–	1,435,195
Borrowings	借款	7,491,968	186,244	9,874,972	17,553,184
Convertible loans	可換股貸款	668,272	–	–	668,272
Lease liabilities	租賃負債	88,273	74,185	485,505	647,963
Other long-term payables	其他長期應付款項	–	–	10,385	10,385
		17,229,345	260,429	10,370,862	27,860,636

		2020			
		Within 1 year 1年內 RMB'000 人民幣千元	1 to 2 years 1至2年 RMB'000 人民幣千元	Over 2 years 2年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Trade and bills payables	貿易應付款項及票據	5,678,208	–	–	5,678,208
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的金融負債	871,037	–	–	871,037
Borrowings	借款	7,586,976	626,315	7,942,817	16,156,108
Convertible loans	可換股貸款	19,646	683,181	–	702,827
Lease liabilities	租賃負債	53,448	32,480	87,266	173,194
Other long-term payables	其他長期應付款項	–	–	16,953	16,953
		14,209,315	1,341,976	8,047,036	23,598,327

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

44. 金融風險管理目標及政策(續)

EQUITY PRICE RISK

Equity price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of equity indices and the value of individual securities. The Group is exposed to equity price risk arising from equity instruments at FVTPL and equity instruments at FVTOCI (note 19) as at 31 December 2021. The Group's listed investments are listed on the PRC, Hong Kong and United Kingdom stock exchanges and are valued at quoted market prices at the end of the reporting period.

The following table demonstrates the sensitivity to every 5% change in the fair values of the equity instruments, with all other variables held constant and before any impact on tax, based on their carrying amounts at the end of the reporting period. For the purpose of this analysis, for the equity instruments at FVTOCI, the impact is deemed to be on the fair value reserve.

股本價格風險

股本價格風險指股本指數水平及個別證券價值變動而導致的股本證券公允價值下跌的風險。於2021年12月31日，本集團面臨由按公允價值計入損益的股本工具及按公允價值計入其他全面收益的股本工具(附註19)引致的股價風險。本集團的上市投資於中國、香港及英國上市，並於報告期末按所報市價計值。

下表列示在所有其他變數保持不變及任何除稅影響前之情況下，按報告期末之賬面值計算，股本工具之公允價值每變動5%之敏感度。就本分析而言，對按公允價值計入其他全面收益的股本工具的影響被視為對公允價值儲備的影響。

		Carrying amount of equity instruments 股本工具的賬面值 RMB'000 人民幣千元	Change in profit before tax 除稅前溢利變動 RMB'000 人民幣千元	Change in equity* 權益變動* RMB'000 人民幣千元
2021				
Equity securities listed in PRC	於中國上市股本證券	**978,643**	**37,601**	**11,331**
Equity securities listed in Hong Kong	於香港上市股本證券	**352,133**	**–**	**17,607**
Equity securities listed in the United Kingdom	於英國上市股本證券	**157,763**	**7,888**	**–**
Unlisted equity securities at fair value	非上市股本證券(按公允價值列值)	**1,040,416**	**7,539**	**44,482**
2020				
Equity securities listed in PRC	於中國上市股本證券	1,299,772	22,310	42,679
Equity securities listed in Hong Kong	於香港上市股本證券	551,520	–	27,576
Equity securities listed in the United Kingdom	於英國上市股本證券	241,983	12,099	–
Unlisted equity securities at fair value	非上市股本證券(按公允價值列值)	539,277	2,698	24,266

* Excluding retained profits

* 不包括保留溢利

45. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

45. 綜合現金流量表附註

(A) MAJOR NON-CASH TRANSACTIONS

During the year, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB86,399,000 and RMB86,399,000, respectively, in respect of lease arrangements (2020: RMB41,678,000 and RMB41,678,000).

(A) 主要非現金交易

年內，就租賃安排而言，本集團使用權資產及租賃負債的非現金增加分別為人民幣86,399,000元及人民幣86,399,000元(2020年：人民幣41,678,000元及人民幣41,678,000元)。

(B) RECONCILIATIONS OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The tables below detail changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

(B) 融資活動產生的負債對賬

下表詳述本集團融資活動所產生的負債變動(包括現金及非現金變動)。融資活動所產生之負債為現金流量曾於或將於本集團綜合現金流量表內分類為融資活動現金流量的負債。

		2021						
				Non-cash changes 非現金變動				
		1 January 1月1日 RMB'000 人民幣千元	Cash flow 現金流量 RMB'000 人民幣千元	Lease liabilities 租賃負債 RMB'000 人民幣千元	Amortisation of borrowing arrangement fee 借款安排費用攤銷 RMB'000 人民幣千元	Foreign exchange movement 外匯變動 RMB'000 人民幣千元	Other changes 其他變動 RMB'000 人民幣千元	31 December 12月31日 RMB'000 人民幣千元
Borrowings	借款	15,446,485	1,972,778	–	24,063	(425,733)	141,512	17,159,105
Lease liabilities	租賃負債	162,316	(75,339)	86,399	–	(3,601)	322,593	492,368
Convertible loans	可換股貸款	627,362	(19,650)	–	–	(18,153)	34,871	624,430
Interest payable	應付利息	26,033	(444,365)	–	–	–	494,864	76,532
Dividends payable to owners of the Company	應付本公司擁有人股息	–	(1,278,424)	–	–	–	1,278,424	–
Dividends payable to non-controlling interests	應付非控制權益股息	–	(22,540)	–	–	–	22,540	–
Total liabilities from financing activities	融資活動的負債總額	16,262,196	132,460	86,399	24,063	(447,487)	2,294,804	18,352,435

45. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

45. 綜合現金流量表附註(續)

(B) RECONCILIATIONS OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (Continued)

(B) 融資活動產生的負債對賬(續)

		2020						
				Non-cash changes 非現金變動				
		1 January 1月1日 RMB'000 人民幣千元	Cash flow 現金流量 RMB'000 人民幣千元	Lease liabilities 租賃負債 RMB'000 人民幣千元	Amortisation of borrowing arrangement fee 借款安排費用攤銷 RMB'000 人民幣千元	Foreign exchange movement 外匯變動 RMB'000 人民幣千元	Other changes 其他變動 RMB'000 人民幣千元	31 December 12月31日 RMB'000 人民幣千元
Borrowings	借款	12,678,380	3,242,770	–	21,563	(676,617)	180,389	15,446,485
Lease liabilities	租賃負債	206,124	(85,649)	41,678	–	(7,943)	8,106	162,316
Convertible loans	可換股貸款	652,595	–	–	–	(40,246)	15,013	627,362
Interest payable	應付利息	25,602	(421,032)	–	–	–	421,463	26,033
Dividends payable to owners of the Company	應付本公司擁有人股息	–	(1,095,414)	–	–	–	1,095,414	–
Dividends payable to non-controlling interests	應付非控制權益股息	–	(118)	–	–	–	118	–
Payables for acquisition of non-controlling interests included in other payables	計入其他應付款項的收購非控制權益應付款項	–	(157,305)	–	–	–	157,305	–
Total liabilities from financing activities	融資活動的負債總額	13,562,701	1,483,252	41,678	21,563	(724,806)	1,877,808	16,262,196

(C) TOTAL CASH OUTFLOW FOR LEASES

The total cash outflow for leases included in the consolidated statement of cash flows is as follows:

(C) 租賃現金流出總額

包括在綜合現金流量表的租賃現金流出總額如下：

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
Within operating activities	經營活動內	**28,938**	11,986
Within investing activities	投資活動內	**148,828**	453,875
Within financing activities	融資活動內	**75,339**	85,649
		253,105	551,510

46. PARTICULARS OF PRINCIPAL SUBSIDIARIES

46. 主要附屬公司的詳情

Particulars of the Company's principal subsidiaries are as follows:

本公司主要附屬公司的詳情如下：

Name 名稱	Place of incorporation/ registration and business 註冊成立／註冊及營業地點	Issued ordinary share/ registered share capital 已發行普通股／註冊股本	Percentage of equity attributable to the Company 本公司應佔權益比率 Direct 直接	Indirect 間接	Principal activity 主要業務
Liansu Group Company Limited 聯塑集團有限公司	Hong Kong 香港	HK$13,000,000 13,000,000港元	–	100%	Investment holding and sale of building materials and home improvement products 投資控股及銷售建材家居產品
Guangdong Liansu Technology Industrial Co., Ltd.*[a] 廣東聯塑科技實業有限公司[a]	PRC 中國	HK$2,800,000,000 2,800,000,000港元	–	100%	Manufacture and sale of plastic pipes and pipe fittings 製造及銷售塑料管道及管件
Heshan Lesso Industrial Development Co., Ltd.*[b] 鶴山聯塑實業發展有限公司[b]	PRC 中國	HK$269,930,000 269,930,000港元	–	100%	Manufacture and sale of plastic pipes and pipe fittings 製造及銷售塑料管道及管件
Lesso Technology Development (Wuhan) Co., Ltd.*[b] 聯塑科技發展(武漢)有限公司[b]	PRC 中國	HK$111,000,000 111,000,000港元	–	100%	Manufacture and sale of plastic pipes and pipe fittings 製造及銷售塑料管道及管件
Lesso Technology Development (Guiyang) Co., Ltd.*[b] 聯塑科技發展(貴陽)有限公司[b]	PRC 中國	HK$115,000,000 115,000,000港元	–	100%	Manufacture and sale of plastic pipes and pipe fittings 製造及銷售塑料管道及管件
Nanjing Lesso Technology Industrial Co., Ltd.*[b] 南京聯塑科技實業有限公司[b]	PRC 中國	US$26,750,000 26,750,000美元	–	100%	Manufacture and sale of plastic pipes and pipe fittings 製造及銷售塑料管道及管件
Lesso Municipal Pipe (Hebei) Co., Ltd.*[b] 聯塑市政管道(河北)有限公司[b]	PRC 中國	US$32,790,000 32,790,000美元	–	100%	Manufacture and sale of plastic pipes and pipe fittings 製造及銷售塑料管道及管件
Henan Lesso Industrial Co., Ltd.*[c] 河南聯塑實業有限公司[c]	PRC 中國	RMB200,000,000 人民幣200,000,000元	–	100%	Manufacture and sale of plastic pipes and pipe fittings 製造及銷售塑料管道及管件
Hainan Lesso Technology Industrial Co., Ltd.*[c]	PRC	RMB150,000,000	–	100%	Manufacture and sale of plastic

46. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

46. 主要附屬公司的詳情(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立／註冊及營業地點	Issued ordinary share/ registered share capital 已發行普通股／註冊股本	Percentage of equity attributable to the Company 本公司應佔權益比率 Direct 直接	Indirect 間接	Principal activity 主要業務
Guangdong Shunde Lesso Management Co., Ltd.*[c] 廣東順德領尚物業管理有限公司[c]	PRC 中國	RMB682,000,000 人民幣682,000,000元	–	100%	Property investment 物業投資
Lesso Mall Development (Long Island), Inc. [d] 領尚商城發展(長島)有限公司 *[d]	US 美國	US$104,000,000 104,000,000 美元	–	100%	Property investment 物業投資
Lesso Mall Development (Jurupa Valley) Limited [d] 領尚商城發展(朱魯帕谷)有限公司 *[d]	US 美國	US$1,000 1,000 美元	–	100%	Property investment 物業投資

(a) Registered as a wholly-foreign-owned enterprise under the laws of PRC

(b) Registered as an equity joint venture under the laws of PRC

(c) Registered as a limited liability company under the laws of PRC

(d) Registered as a limited liability company under the laws of US

(a) 根據中國法律註冊為一間外商獨資企業

(b) 根據中國法律註冊為一間合資企業

(c) 根據中國法律註冊為一間有限公司

(d) 根據美國法律註冊為一間有限公司

The above table lists the Company's subsidiaries which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the Group's net assets. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

董事認為，上表所載列的本公司附屬公司對本年度的業績具重大影響力或構成本集團資產淨值的重大部分。董事認為倘詳列其他附屬公司的資料，將會使有關資料過於冗長。

47. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

47. 本公司財務狀況表

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

於報告期末，有關本公司財務狀況表的資料如下：

		2021 RMB'000 人民幣千元	2020 RMB'000 人民幣千元
NON-CURRENT ASSETS	**非流動資產**		
Investments in subsidiaries	於附屬公司的投資	**5,002,996**	5,005,446
Other financial assets	其他金融資產	**393,284**	613,624
Total non-current assets	非流動資產總額	**5,396,280**	5,619,070
CURRENT ASSETS	**流動資產**		
Other receivables	其他應收款項	**1,458,303**	1,677,279
Amounts due from subsidiaries	應收附屬公司款項	**4,497,205**	–
Other financial assets	其他金融資產	**–**	24,915
Cash and bank deposits	現金及銀行存款	**20,428**	435,719
Total current assets	流動資產總額	**5,977,936**	2,137,913
CURRENT LIABILITIES			

47. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

47. 本公司財務狀況表(續)

Note:

附註：

A summary of the Company's reserves is as follows:

本公司的儲備概要如下：

		Share premium 股份溢價 RMB'000 人民幣千元	Shares held for share award scheme 股份獎勵計劃所持股份 RMB'000 人民幣千元	Fair value reserve 公允價值儲備 RMB'000 人民幣千元	Exchange fluctuation reserve 匯率波動儲備 RMB'000 人民幣千元	Retained profits 保留溢利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2020	於2020年1月1日	1,905,618	(85,440)	(24,979)	23,270	1,054,352	2,872,821
Total comprehensive income for the year	年內全面收益總額	–	–	(19,662)	80,184	1,413,525	1,474,047
Dividends recognised as distributions to owners	確認為向擁有人分派的股息	–	–	–	–	(1,095,414)	(1,095,414)
Transfer of fair value reserve upon the disposal of equity instruments at FVTOCI	出售按公允價值計入其他全面收益的股本工具後轉讓至公允價值儲備	–	–	(144)	–	144	–
At 31 December 2020 and 1 January 2021	於2020年12月31日及2021年1月1日	1,905,618	(85,440)	(44,785)	103,454	1,372,607	3,251,454
Total comprehensive income for the year	年內全面收益總額	–	–	(130,249)	49,715	1,020,976	940,442
Dividends recognised as distributions to owners	確認為向擁有人分派的股息	–	–	–	–	(1,278,424)	(1,278,424)
Transfer of fair value reserve upon the disposal of equity instruments at FVTOCI	出售按公允價值計入其他全面收益的股本工具後轉讓至公允價值儲備	–	–	(170)	–	170	–
At 31 December 2021	於2021年12月31日	**1,905,618**	**(85,440)**	**(175,204)**	**153,169**	**1,115,329**	**2,913,472**

48. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board on 28 March 2022.

48. 批准綜合財務報表

綜合財務報表於2022年3月28日獲董事會批准及授權刊發。

SUMMARY OF MAJOR INVESTMENT PROPERTIES
主要投資物業概要

As at 31 December 2021
於2021年12月31日

Details of the Group's investment properties at the end of the reporting period are as follows:

於報告期末，本集團投資物業的詳情如下：

Location 地點		Type 類別	Site area/ gross floor area 地盤面積／總樓面面積 sq. ft. 平方呎	Lease term 租用期	Stage of completion 完成階段
79–99 St Hilliers Road, Auburn, Cumberland, Sydney, New South Wales	Australia	IB	271,660#	Freehold	Existing
79–99 St Hilliers Road, Auburn, Cumberland, Sydney, New South Wales	澳洲	IB	271,660#	永久業權	現有
5789, 5933, 5945, 5811, 5951 Steeles Avenue East, Toronto, Ontario	Canada	CL	1,793,949	Freehold	Planning stage
5789, 5933, 5945, 5811, 5951 Steeles Avenue East, Toronto, Ontario	加拿大	CL	1,793,949	永久業權	籌劃階段
5631–5671 Steeles Avenue East, Toronto, Ontario	Canada	CB	138,982#	Freehold	Existing
5631–5671 Steeles Avenue East, Toronto, Ontario	加拿大	CB	138,982#	永久業權	現有
South of Longzhou West Road, East of Dengdong Road, Longjiang town, Shunde District, Foshan City, Guangdong	PRC	CL	265,301	Leasehold	Under development
廣東省佛山市順德區龍江鎮龍洲西路南側與登東路東側交叉口	中國	CL	265,301	租賃業權	發展中
West of Foshan-Kaiping highway, North of Longgao Road, Longjiang town, Shunde District, Foshan City, Guangdong	PRC	CL	1,665,991	Leasehold	Under development
廣東省佛山市順德區龍江鎮佛開高速以西、龍高路以北	中國	CL	1,665,991	租賃業權	發展中
633 Heshun Road, Heshan Industrial Center, Heshan City, Guangdong	PRC	IL	1,550,738	Leasehold	Existing
廣東省鶴山市鶴山工業城和順路633號	中國	IL	1,550,738	租賃業權	現有

SUMMARY OF MAJOR INVESTMENT PROPERTIES
主要投資物業概要

As at 31 December 2021
於2021年12月31日

Location 地點		Type 類別	Site area/ gross floor area 地盤面積／總樓面面積 sq. ft. 平方呎	Lease term 租用期	Stage of completion 完成階段
Plot-7, South of Zone A, Shunde Technology Industrial Park, Daliang Street Office, Shunde District, Foshan City, Guangdong	PRC	IL	2,401,867	Leasehold	Under development
廣東省佛山市順德區大良街道辦事處 順德科技工業園A區南-7地塊	中國	IL	2,401,867	租賃業權	發展中
Tangerang New City Estate, Jalan Suvarna Sutera, Kelurahan Pasir Gadung, Kecamatan Cikupa, Kabupaten Tangerang, Banten, Indonesia	Indonesia	CX	1,060,073	Leasehold	Under development
Tangerang New City Estate, Jalan Suvarna Sutera, Kelurahan Pasir Gadung, Kecamatan Cikupa, Kabupaten Tangerang, Banten, Indonesia	印度尼西亞	CX	1,060,073	租賃業權	發展中
Tangerang New City Estate, Jalan Suvarna Sutera, Kelurahan Sindang Jaya, Kecamatan Sindang Jaya, Kabupaten Tangerang, Banten, Indonesia	Indonesia	IL	1,071,181	Leasehold	Planning stage
Tangerang New City Estate, Jalan Suvarna Sutera, Kelurahan Sindang Jaya, Kecamatan Sindang Jaya, Kabupaten Tangerang, Banten, Indonesia	印度尼西亞	IL	1,071,181	租賃業權	籌劃階段
Prey Rokar Village, ChhakChheuNeang Commune, Ang Snuol District, Kandal Province, Cambodia	Cambodia	CX	5,519,034	Freehold	Under development
Prey Rokar Village, ChhakChheuNeang Commune, Ang Snuol District, Kandal Province, Cambodia	柬埔寨	CX	5,519,034	永久業權	發展中
Plot No 2, 4, 8, 9 Block 59 Zawtika Yeik Mon Housing, Dagon Seikkan Township, Yangon	Myanmar	CX	3,232,762	Leasehold	Under development
Plot No 2, 4, 8, 9 Block 59 Zawtika Yeik Mon Housing, Dagon Seikkan Township, Yangon	緬甸	CX	3,232,762	租賃業權	發展中

As at 31 December 2021
於2021年12月31日

Location 地點		Type 類別	Site area/ gross floor area 地盤面積／總樓面面積 sq. ft. 平方呎	Lease term 租用期	Stage of completion 完成階段
120–122, 202, 204, 847, 848,1413,1425–1430, Tambol Bang Sao Thong, Amphoe Bang Sao Thong, and 375, Tambol Bang Bo, Amphoe Bang Bo, Samut Prakarn Province	Thailand	CX	3,557,955	Freehold	Under development
120–122, 202, 204, 847, 848,1413,1425–1430, Tambol Bang Sao Thong, Amphoe Bang Sao Thong, 及 375, Tambol Bang Bo, Amphoe Bang Bo, Samut Prakarn Province	泰國	CX	3,557,955	永久業權	發展中
Plot 62189674, Warsan First, Dubai	United Arab Emirates	CL	570,487	Freehold	Under development
Plot 62189674, Warsan First, Dubai	阿拉伯聯合酋長國	CL	570,487	永久業權	發展中
SWC of Highway 380 & FM 26, South side of Highway 380 West of FM 26, Frisco, Texas	US	CX	3,347,896	Freehold	Planning stage
SWC of Highway 380 & FM 26, South side of Highway 380 West of FM 26, Frisco, Texas	美國	CX	3,347,896	永久業權	籌劃階段
12071 Bellegrave Avenue, Jurupa Valley, California	US	CX	4,755,918	Freehold	Planning stage
12071 Bellegrave Avenue, Jurupa Valley, California	美國	CX	4,755,918	永久業權	籌劃階段
1300 and 1504 Old Country Road, Westbury, Nassau County, Long Island, New York	US	CB	723,302#	Freehold	Existing
1300 and 1504 Old Country Road, Westbury, Nassau County, Long Island, New York	美國	CB	723,302#	永久業權	現有

Note: 附註：			
	CL	Commercial land	商業用地
	CX	Complex land	綜合用地
	IL	Industrial land	工業用地
	CB	Commercial building	商業樓宇
	IB	Industrial building	工業樓宇
	#	Represents gross floor area	指總樓面面積

GLOSSARY
詞彙

"Board" 「董事會」	指	the board of directors of the Company 本公司董事會
"BVI" 「英屬維爾京群島」	指	the British Virgin Islands 英屬維爾京群島
"China" or "PRC" 「中國」	指	the People's Republic of China, for the purpose of this report, excluding Hong Kong, Macau and Taiwan 中華人民共和國，就本報告而言，並不包括香港、澳門及台灣
"Code" 「守則」	指	the Corporate Governance Code as set out in Appendix 14 to the Listing Rules 上市規則附錄14所載的企業管治守則
"Company" or "China Lesso" 「本公司」或「中國聯塑」	指	China Lesso Group Holdings Limited 中國聯塑集團控股有限公司
"Current Ratio" 「流動比率」	指	the ratio of current assets to current liabilities 流動資產除以流動負債的比率
"EBITDA" 「除息稅折攤前盈利」	指	earnings before interest, taxes, depreciation and amortisation 扣除利息、稅項、折舊及攤銷前盈利
"FVTOCI" 「按公允價值計入其他全面收益」	指	fair value through other comprehensive income 按公允價值計入其他全面收益
"FVTPL" 「按公允價值計入損益」	指	fair value through profit or loss 按公允價值計入損益
"Gearing Ratio" 「資產負債率」	指	the total debts divided by the sum of total debts and total equity 按債務總額除以債務總額加上權益總額的總和
"Group" 「本集團」	指	the Company and its subsidiaries 本公司及其附屬公司
"Guangdong Liansu Machinery" 「廣東聯塑機器」	指	Guangdong Liansu Machinery Manufacturing Co., Ltd.*, a company indirectly wholly-owned by Mr. Wong Luen Hei and a connected person of the Company as defined under the Listing Rules 廣東聯塑機器製造有限公司，黃聯禧先生間接全資擁有的公司，並為本公司的關連人士(定義見上市規則)
"HK$" 「港元」	指	Hong Kong dollar, the lawful currency of Hong Kong 香港之法定貨幣 — 港元
"Hong Kong" or "HK" 「香港」	指	Hong Kong Special Administrative Region of the PRC 中國香港特別行政區

"IoT" 「物聯網」	指	Internet of things 物聯網
"Listing Rules" 「上市規則」	指	the Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券上市規則
"Model Code" 「標準守則」	指	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules 上市規則附錄10所載的上市發行人董事進行證券交易的標準守則
"New Fortune" 「新富星」	指	New Fortune Star Limited, a company incorporated in the BVI New Fortune Star Limited，一間於英屬維爾京群島註冊成立之公司
"PE" 「PE」	指	polyethylene 聚乙烯
"PP-R" 「PP-R」	指	polypropylene random 無規共聚聚丙烯
"PVC" 「PVC」	指	polyvinyl chloride 聚氯乙烯
"Quick Ratio" 「速動比率」	指	the ratio of current assets less inventories to current liabilities 流動資產減存貨再除以流動負債的比率
"RMB" 「人民幣」	指	Renminbi, the lawful currency of the PRC 中國之法定貨幣 — 人民幣
"SFO" 「證券及期貨條例」	指	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong 香港法例第571章證券及期貨條例
"Share(s)" 「股份」	指	share(s) of a nominal value of HK$0.05 each in the capital of the Company 本公司股本中每股面值0.05港元的股份
"Shareholder(s)" 「股東」	指	holder(s) of the Share(s) of the Company 本公司股份持有人
"Shunde Liansu Industrial" 「順德聯塑實業」	指	Foshan Shunde Liansu Industrial Co., Ltd.* 佛山市順德區聯塑實業有限公司
"sq.ft." 「平方呎」	指	square feet 平方英呎
"Stock Exchange" 「聯交所」	指	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司

"tonne(s)"		a unit measuring weight, equal to 1,000 kilograms
「噸」	指	量度重量的單位，相等於1,000公斤
"US"		the United States of America
「美國」	指	美利堅合眾國
"US$"		US dollar, the lawful currency of US
「美元」	指	美國之法定貨幣 — 美元
"Xi Xi Development"		Xi Xi Development Limited, a company incorporated in the BVI
「西溪發展」	指	西溪發展有限公司，一間於英屬維爾京群島註冊成立之公司
"%"		per cent
「%」	指	百分比

* The English or Chinese translations in this report, where indicated, denote for identification purposes only.

* 本報告的英文或中文翻譯（如註明）僅供識別。

BOARD OF DIRECTORS
EXECUTIVE DIRECTORS

Mr. Wong Luen Hei *(Chairman)*
Mr. Zuo Manlun *(Chief executive)*
Ms. Zuo Xiaoping
Mr. Lai Zhiqiang
Mr. Kong Zhaocong
Mr. Chen Guonan
Dr. Lin Shaoquan
Mr. Huang Guirong
Mr. Luo Jianfeng
Mr. Lin Dewei

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wong Kwok Ho Jonathan
Ms. Lan Fang
Dr. Tao Zhigang
Mr. Cheng Dickson
Ms. Lu Jiandong

AUDIT COMMITTEE

Dr. Tao Zhigang *(Chairman)*
Mr. Wong Kwok Ho Jonathan
Mr. Cheng Dickson
Ms. Lu Jiandong

REMUNERATION COMMITTEE

Dr. Tao Zhigang *(Chairman)*
Mr. Wong Luen Hei
Mr. Zuo Manlun
Mr. Wong Kwok Ho Jonathan
Ms. Lu Jiandong

NOMINATION COMMITTEE

Mr. Wong Luen Hei *(Chairman)*
Mr. Zuo Manlun
Mr. Wong Kwok Ho Jonathan
Ms. Lan Fang
Dr. Tao Zhigang

COMPANY SECRETARY

Mr. Kwan Chi Wai Samuel

AUTHORISED REPRESENTATIVES

Mr. Zuo Manlun
Mr. Kwan Chi Wai Samuel

董事會
執行董事

黃聯禧先永聯合詩諂鄉喘暠誰斟

REGISTERED OFFICE
Second Floor, Century Yard
Cricket Square, P.O. Box 902
Grand Cayman, KY1-1103
Cayman Islands

註冊辦事處
Second Floor, Century Yard
Cricket Square, P.O. Box 902
Grand Cayman, KY1-1103
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN CHINA
Liansu Industrial Estate
Longjiang Town
Shunde District
Foshan City
Guangdong Province 528318
China

中國主要營業地點
中國
廣東省(郵編：528318)
佛山市
順德區
龍江鎮
聯塑工業村

PRINCIPAL PLACE OF BUSINESS IN HONG KONG
Unit 1A, 10th Floor, Tower 2
South Seas Centre
75 Mody Road
Tsim Sha Tsui East
Kowloon, Hong Kong

香港主要營業地點
香港九龍
尖沙咀東部
麼地道75號
南洋中心
第二座10樓1A室

LISTING INFORMATION
Listing:
The Stock Exchange of Hong Kong Limited

Stock code:
2128

上市資料
上市地點：
香港聯合交易所有限公司

股份代號：
2128

SHARE INFORMATION
As at 31 December 2021:

Share issued	3,102,418,400 shares
Market capitalisation	HK$34,747 million
Board lot size	1,000 shares

股份資料
於2021年12月31日：

已發行股份數目	3,102,418,400股
市值	347.47億港元
每手買賣單位	1,000股

2021 DIVIDENDS

Interim dividend	HK12 cents per share
Proposed final dividend	HK26 cents per share
Dividend payout ratio	31.7%

2021年股息

中期股息	每股12港仙
擬派末期股息	每股26港仙
派息比率	31.7%

FINANCIAL CALENDAR

Annual results announcement:
28 March 2022

CLOSURE OF THE REGISTER OF MEMBERS:

— for determining the entitlement to attend and vote at annual general meeting from 15 to 17 June 2022 (both dates inclusive)

— for determining the entitlement to proposed final dividend from 6 to 8 July 2022 (both dates inclusive)

2022 annual general meeting:
17 June 2022

Payment of 2021 proposed final dividend+:
on or around 22 July 2022

PRINCIPAL SHARE REGISTRAR

Tricor Services (Cayman Islands) Limited
Second Floor, Century Yard
Cricket Square, P.O. Box 902
Grand Cayman, KY1-1103
Cayman Islands

BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor
Hopewell Centre
183 Queen's Road East, Wanchai
Hong Kong

INVESTOR RELATIONS

iPR Ogilvy & Mather
40th Floor, China Online Centre
333 Lockhart Road, Wan Chai, Hong Kong
Tel: (852) 2136 6185
Fax: (852) 3170 6606
Email: ir@lesso.com

+ Subject to approval by the Shareholders at the 2022 annual general meeting to be held on 17 June 2022.

財務日誌

年度業績公告：
2022年3月28日

暫停辦理股份過戶登記手續：

— 確定出席股東週年大會並於會上投票的資格由2022年6月15至17日（包括首尾兩天）

— 確定收取擬派末期股息的資格由2022年7月6至8日（包括首尾兩天）

2022年股東週年大會：
2022年6月17日

派付2021年擬派末期股息+：
2022年7月22日或相近日子

股份過戶登記總處

Tricor Services (Cayman Islands) Limited
Second Floor, Century Yard
Cricket Square, P.O. Box 902
Grand Cayman, KY1-1103
Cayman Islands

股份過戶登記分處

香港中央證券登記有限公司
香港
灣仔皇后大道東183號
合和中心
17樓1712–1716室

投資者關係

iPR奧美公關
香港灣仔駱克道333號
中國網絡中心40樓
電話：(852) 2136 6185
傳真：(852) 3170 6606
電郵：ir@lesso.com

+ 惟須待股東於2022年6月17日舉行的2022年股東週年大會上批准後，方可作實。

AUDITOR
Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor
Hong Kong

核數師
安永會計師事務所
執業會計師
註冊公眾利益實體核數師
香港

SOLICITOR
Ropes & Gray

律師
瑞格律師事務所

PRINCIPAL BANKERS
Agricultural Bank of China Limited
China Merchants Bank Co., Ltd.
CTBC Bank Co., Ltd., Hong Kong Branch
DBS Bank Ltd., Hong Kong Branch
Foshan Shunde Rural Commercial Bank Company Limited
Hang Seng Bank Limited
Industrial and Commercial Bank of China (Asia) Limited
Industrial and Commercial Bank of China Limited
Sumitomo Mitsui Banking Corporation
Taipei Fubon Commercial Bank Co., Ltd., Hong Kong Branch
The Hongkong and Shanghai Banking Corporation Limited

主要往來銀行
中國農業銀行股份有限公司
招商銀行股份有限公司
中國信託商業銀行股份有限公司香港分行
星展銀行有限公司香港分行
佛山順德農村商業銀行股份有限公司
恒生銀行有限公司
中國工商銀行(亞洲)有限公司
中國工商銀行股份有限公司
三井住友銀行
台北富邦商業銀行股份有限公司香港分行
香港上海滙豐銀行有限公司

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http://www.lesso.com

Forward-looking statements

This report contains forward-looking statements. These forward-looking statements include, without limitation, statements related to revenue and earnings. The words "believe", "intend", "expect", "anticipate", "forecast", "estimate", "predict", "is confident", "has confidence" and similar expressions are also intended to represent forward-looking statements. These forward-looking statements are not historical facts. Rather, the forward-looking statements are based on the current beliefs, assumptions, expectations, estimates and projections of the directors and management of China Lesso about the businesses, industries and markets in which China Lesso operates.

These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond the Company's control and are difficult to predict. Consequently, actual results could differ materially from those expressed, implied or forecasted in the forward-looking statements.

Reliance should not be placed on these forward-looking statements, which reflect only the views of the directors and management of China Lesso as at the date of this report only. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after publication of this report.

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本報告載有前瞻聲明。此等前瞻聲明包括但不限於有關收入及盈利的聲明，而「相信」、「計劃」、「預計」、「預期」、「預測」、「估計」、「推測」、「深信」、「抱有信心」及類似詞彙亦擬表示前瞻聲明。前瞻聲明是以中國聯塑董事及管理層根據業務、行業及中國聯塑所經營的市場而具備或作出的目前信念、假設、期望、估計及預測為基準，而並非歷史事實。

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司所能控制，且難以預料。故此，實際結果可能與前瞻聲明所明示、暗示或預測的情況有重大差別。

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本報告的中英文如有任何歧義，概以英文本為準。

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